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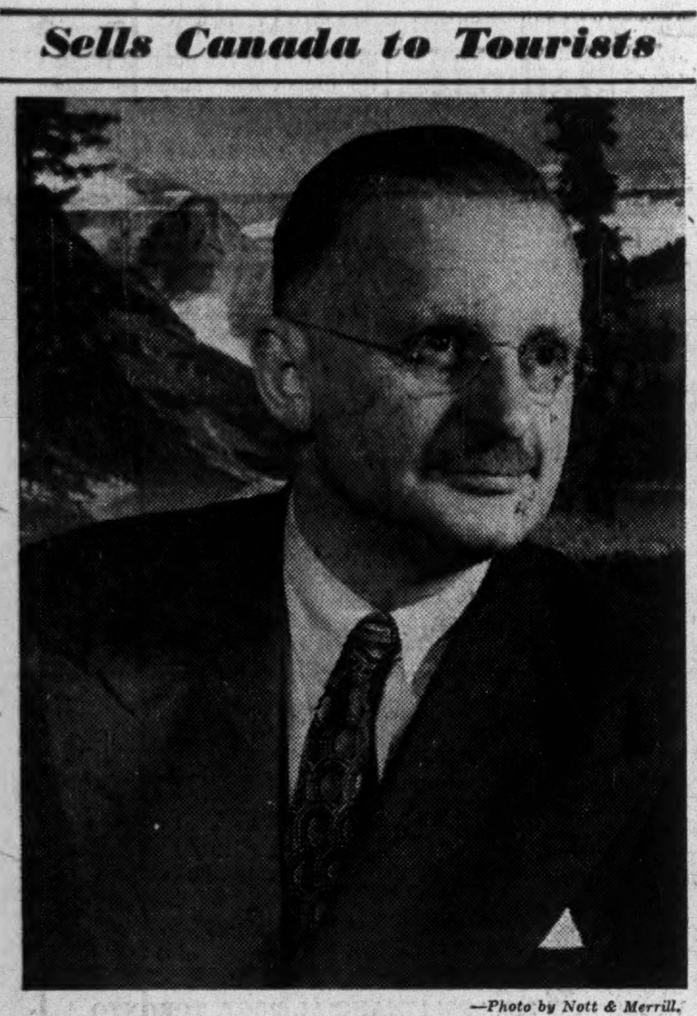
Sells Canada to Tourists



—*Photo by Nott & Merrill.*

George A. Martin is new president of the Canadian Association of Tourist and Publicity Bureaus, planning as one of its major efforts for the 1949 season a "Tourist Service Education Week" early next spring. On their efforts depend much of our U. S. visitors' trade, second-largest earner of U. S. dollars. (Personality sketch of Mr. Martin on page 6.)

THE NATION'S BUSINESS

What Truman Win Means to Canadians

Whatever else may be said about the victory of President Truman, there are two important things in this event for Canada:

There will be no delay on important international matters such as would have occurred if a new President couldn't get his hands on the helm until after the January inaugural, and until after a widespread changeover of senior officials had been accomplished.

Secondly, there is now much less uncertainty here about U. S. policy on matters of the utmost importance to Canada.

On foreign policy, it is true, Governor Dewey supported in principle the same platform as President Truman, but it is generally agreed that even had the Republicans won, there would have been at least three months delay and likely many more, before the new administration could have completed a changeover in personnel and acquired the necessary knowledge and experience to permit it to go ahead on extremely urgent matters, like continental defense co-ordination, for instance. Such a delay might have had grave consequences indeed in these critical times.

Moreover with one major plank in U. S. foreign policy, international trade, there was a natural, if perhaps unjustified, uneasiness in Canada about what might happen if the Republicans came into power.

In the past, it was always the Republicans who sponsored higher tariffs and other restrictions which did so much to cripple our flow of exports to the United States. While Governor Dewey made it plain that he was opposed to reinstating that sort of policy, there were many who doubted whether he could control the element of his party which held other views.

Trade Bars Must Be Lowered

At best, with a Dewey win we could hope that there would be no sudden reversal in the Hull-Roosevelt-Truman program of lowering tariffs and other trade barriers.

But that would not be enough if Canada and the United States are to prosper as they might and should. There must be a further removal of these barriers if these two countries are to buy freely of each other's goods, if they are to become full partners in the development of our joint North American economy and defense.

With a Truman win there will be less uneasiness on this point and others where Canada and the United States must work together. On mutual defense, on aid to Europe, on a military alliance with those other world democracies which think as we think, we have reason to believe the Truman administration will continue its past policies. Not only is that administration already familiar with the peculiar Canadian problems involved, but now it has the necessary power to go full steam ahead.

By holding his lead in the House of Representatives and winning control in the Senate, Mr. Truman for the first time in two years is in a position to push his foreign policy with vigor and promptness.

That is something even the most optimistic Republicans were unable to guarantee. At most they expected a compromise in the Senate and that with the dubious support of an old guard isolationist element that stubbornly refuses to face the fact that distance is no longer a protection in this modern world.

• • •

No Real Power-Saving Program

When is Ontario going to get some honest-to-goodness program for saving power?

In the province where 43% of the nation's industrial work is done, the electric power shortage and the consequent power cuts are having disastrous effects on production, and the dislocation for commercial and domestic life is immense.

But power officials have signally failed to get any good power conservation campaign going. Some important savings are being made in business . . . one big store in Toronto, for instance, has cut its consumption in half.

But the ordinary citizen is just mad. He's been lectured, put to great inconvenience. He loses money by it.

And he's mad—and in no power-saving mood—mainly because of the tactless, arbitrary and capricious performance of the men who order the switches pulled.

He's mad because everywhere he sees that the very people who are screaming at him for his co-operation are giving little evidence that they themselves are doing anything about a real saving program.

So far, the public is far from convinced that any sensible system of power priorities has been established; or an adequate distinction made between essential and less essential uses.

In wartime well-planned and well-handled programs achieved wonders in winning public support and co-operation.

Thousands of volunteers, for instance, went into ARP work.

Here we are in a real emergency. Everything suggests it's going to get worse before it gets better and that it may be bad for some years yet.

Why not a light-saving "ARP," for instance?

But whatever the program is to be, it won't get results in power-saving until public officials show that they are leading the way in saving; and until they stop making people angry by their methods. In public relations they are simply pitiful.

If the operators of a privately-owned power company acted like the Ontario power commissars, what an uproar there would be!

Four-Day Work Weeks For Ontario Industry?

Critical Power Shortage Brings Threat of Drastic Action — Lack of Rain Hits Quebec and U. S. Circle Around Great Lakes

By CYRIL BASSETT

Ontario industry faces a winter of four-day work weeks — or another crippling daily power cut (for Toronto a fourth) — unless more plants shift to off-peak work periods.

That's how the great hydro shortage stood at midweek. To a lesser degree, industry in Quebec was preparing for power cuts; some were already in effect.

And to all concerned it was plain that the situation would not be bettered in the dark days ahead, almost certainly would get worse in terms of available power.

The Ontario shortage had reached the point where the demand for power exceeded generating capacity by an amount equal to the power needed for all of Greater Toronto, whose 4,000 factories pour out one-third of the province's total production.

Today, despite the addition since September of 2.5 million kilowatt hours a day to the southern Ontario power output, the shortage is greater than it was when cuts were started in September — the gap between supply and demand has grown from 4.2 million kwh a day in September to over 5 million kwh. And the darkest winter days have yet to come.

How can the crisis be met, what are the plans, what is being done?

The problem is gravest in the Toronto area. At midweek it was the only city in the province suffering from an evening cut (7 to 7.45 pm, which might be extended to three hours) in addition to two daily cuts of one hour each.

Industry, business houses, domestic consumers alike were blamed for the new evening cut.

Toronto's Mayor Hiram E. McCallum said the city's consumption must be cut at least 10% to end the nightly cut offs. He

— Urged more industries to shift to night and Sunday operations "when there is a surplus of power";

— Said he would ask Ontario Hydro to force industry to switch shifts if this plea failed;

— Prepared to ask Ontario Hydro for a bigger quota of power for the city "since it serves so many other communities with essential services";

—Suggested a return of power control (as in wartime) through a Federal Controller.

Ontario Hydro's Chairman Robert Saunders blamed domestic consumers, commercial establishments in the new crisis; citizens for failing in voluntary conservation, business houses for flouting restriction regulations which allow a maximum of one-watt per sq. ft. in stores, two watts per sq. ft. in offices.

Also from Ontario Hydro came the warning that Toronto (and any other city) which failed to keep within its daily quota, on such occasions as the quota was overrun, would be subject to a complete cessation of service from midnight on.

What does all this add up to? Will midnight cutoffs come?

Midnight cutoffs, in the view of Hydro officials, will require very close examination in all aspects. Such a cutoff, of course, would completely disrupt the 750 plants working on night shift in the Toronto area, quite apart from bringing streetcars to a full stop, blacking out hospitals, cutting off home heating systems. "Not feasible at the moment" was one Hydro comment.

What about the industrial picture?

It's full of complications.

Many industries which have night and weekend shift work under consideration for some time

(Continued on page 7)

Oil Equipment Industries Push Edmonton's Growth

From Our Own Correspondent

EDMONTON—Land has been bought here by English Steel Corp. to build a plant for manufacture and distribution of oil-well drilling bits and other steel products.

This is one of 17 firms to come to Edmonton this year in connection with the accelerating oil industry. The 16 other companies are mainly American. They include drilling companies, oil search specialists, manufacturers and distributors of petroleum products.

As a result of the English company's entrance, possibility of a steel mill for Edmonton was foreseen in some quarters. With the great demand for oil drilling equipment, pipe and other steel products in Alberta, both the possible market and power supply are being studied along with the question of supply of raw ore.

Reports have been published of iron-bearing deposits in Alberta, especially in the Burmis-Pincher Creek area. These are not considered substantial enough to be mined commercially. New finds in B. C. also are being studied. More consideration is being given to working out a two-way hauling system which would provide coal for Lakehead smelters and ore for future Alberta smelters.

While not representing all the companies connected with the oil industry which have located in Edmonton in the past year, here are some:

Haliburton Oil Well Cementing Co. of Oklahoma which purchased a warehouse and more than four acres of land for erection of facilities for handling bulk cement and muriatic acid.

Chemical & Geological Laboratories, leasing the Tantalum Refining & Mining Corp. laboratory.

Haley Oil Well Supply Co., leasing the remainder of the Tantalum Building and a block of city land purchased for storage.

Northern Development Co., a group organized by Edmonton, Lloydminster and Calgary interests, which has purchased a block of city land for erection of warehouse and oil well equipment repair shops.

Machinery Construction & Repair Co., which purchased a block of land for erection of a plant to repair oil well machinery.

Imperial Oil Ltd. has rented four additional railhead lots, with option to purchase, for storage of pipe and tanks.

Sparling-Davis Co. has taken up four acres for a tank manufacturing plant already operating and being enlarged rapidly.

Armco Co., three acres, for

(Continued on page 7)

CCL Leaders Will Carry CCF Ball Against Drew's Bid For House Seat

The upset in the U. S. presidential election may have an important bearing on the bid of Progressive Conservative Leader George Drew for a seat in the House of Commons.

As they get ready to oppose Leader Drew in the biggest single political action show on record, the song the CIO-CCL-CCF are singing is:

If it can happen to Dewey, it can happen to Drew!

The Carleton, Ontario by-election where Drew will seek a seat, will be held Dec. 20. Mainly a rural riding, it has generally been a safe Conservative seat.

In an effort to thwart Drew, the CCF-CCL are really going to turn it on. Realizing that it would be a fancy feather in their cap to defeat Drew, they're going to concentrate everything they've got in the campaign.

For the most part, it will be a strictly labor show. Labor will supply the candidate, the organizers, most of the workers and most of the money.

The candidate is Eugene Forsey, CCL Research Director and one of the brightest CCL lights.

His campaign will be run by Murray Cotterill, young Steelworkers official, who ran the CCL's successful Ontario campaign.

Cotterill was recently named Political Action Director for the entire CCL. Up to then he had held the same position with the pro-CCF Steelworkers.

On the cards, Forsey stands about as much chance against Drew as Truman appeared to against Dewey. But with the entire resources of the CCL—men and money—behind him, the CCF people profess to think that Forsey might score an upset as Truman did.

What labor did for Truman (see below), labor might do for Forsey, the CCL-CCF people are saying. This seems like wishful thinking. Last time, the Conservative romped home a winner with 10,916 against 5,309 for the Liberal and a puny 1,730 for the CCF. On the surface, it looks like a cinch for Drew.

Besides capitalizing on the Truman success, the CCL-CCF are counting on the situation which parallels the time they upset P.C's applecart in South York. At that time they turned back Leader-elect Arthur Meighen's try for a seat.

That time, like this, the Liberals, out of deference to the new leader, did not run a candidate. The catch was that most of the Liberal vote went to the CCF'er. The question is; will it happen again, and will it be enough to defeat Drew?

The careful and extensive preparations the CCL-CCF are making suggests that they think they stand a chance.

PRICES

Metal prices enjoyed a rather quiet week, but there was plenty of "noise" about pending upswings.

Copper scarcity became even more pronounced as a walkout of brakemen and engineers tied up with the big Utah mine of the Kennecott Copper Corp.

Faced with a monthly loss of about 23,000 tons due to the strike, producers are reported to be withdrawing firm price policies and substituting price quotations for date of shipment. With consumers crying for available supply, new copper price hikes seem slated for the coming weeks.

Zinc, too, seems to have fallen into somewhat similar supply and demand straits.

Continuing strikes at plants of the American Zinc, Lead & Smelting Co. are still holding back supply. While most authorities decry any further increases in zinc prices, some quarters saw it as a distinct possibility for the near future.

Quicksilver market made the only significant move, as quotations rose $1 a flask in New York to $77-$79 a flask of 76 lb.

Canadian butter consumers, while awaiting the outcome of the Supreme Court's investigation into the legality of the margarine ban (slated for Nov. 15), turned hopeful eyes this week to the U. S. butter, margarine battle.

Retailing in New York at $1.-plus a lb. early this year, butter has slipped to approximately 67c. In the last couple of weeks alone, the price has been slashed about 10c a lb. at the retail level.

Authorities point to margarine competition. Butter supply there was at its lowest ebb in September since 1922, but demand is down too. U. S. per capita consumption of margarine has been

(Continued on page 2, col. 3)

Newfoundland, Canada Debate $6 Million Gap

OTTAWA, (Staff) — Size of the financial "gap"—critical issue in the current Canada-Newfoundland discussions—is approximately $6 millions, The Financial Post learns.

In the revised Newfoundland estimate of their future budget position as a Canadian province, the "gap" between revenue and expenditure was placed at $10 millions annually. This was the sum needed annually to balance provincial accounts over and above what was offered by way of subsidy in the Canadian proposals.

But Canadian experts have now revised this $10 millions downward. Instead of proposed Newfoundland revenue of $14 millions, the Canadian estimate, based on new and latest available figures is $15 million. In place of Newfoundland's estimate of $24 million expenditure, the Canadian calculation now puts it at about $21 million. This omits a Newfoundland estimate of $2½ million for capital expenditure and makes other adjustments.

Thus the latest Canadian estimate of the "gap" which has to be closed in the present negotiations is now about $6 million.

It has been suggested that this be treated as a purely "transitional" matter and split 50-50 between Ottawa and Newfoundland for the transitional period of the next six to 12 years.

It is proposed that Canada meet her share by raising her transitional subsidy from $3 to $6 or $6½ million, and that Newfoundland do her part by means of a 5% sales tax to be imposed immediately tariff adjustments are made on entry into confederation.

New Methods Widen Fields In Pulp and Paper Process

BY HOWARD GAMBLE

MONTREAL (Staff)—Greater use of forest resources is forecast as the result of two important developments in the pulp and paper field.

International Paper Co. president John H. Hinman states that his company is going to build a plant in United States which, for the first time, will use hardwoods to make rayon pulps, employing the sulphate process.

Out on the West Coast, Weyerhaeuser Timber Co. announced a new chemical twist to the sulphite process—one which will reduce costs and solve the troublesome problem of the economical disposal of waste sulphite liquor.

In both these developments, Canadian research played an important part. International Paper Co.'s Southern Kraft division, which developed the new process for producing dissolving (rayon) pulps got technical advice from Industrial Cellulose Research, a wholly-owned research affiliate of Canadian International Paper Co., Hawkesbury, Ont.

Weyerhaeuser Timber Co.'s new sulphite process was actually born in the mind of Howard Smith Paper Mills' vice-president and research head, G. H. Tomlinson. In 1936, Mr. Tomlinson says, he had a "hunch," about the way to make better sulphite liquor. In co-operation with Babcock & Wilcox Co., a pilot plant was erected in Cornwall, and the new idea was tried out successfully in 1937 and 1938.

Wider Use of Woods

What is the significance of these two important developments to the pulp and paper industry?

Looking first at the sulphate picture, the International Paper Co. announcement means a greater utilization of North American forests. It is well known that the sulphate process can make the use of various species of wood which have proved impractical in the sulphite process. This factor has opened up large forests to the industry for higher-grade use.

So far, the largest consumer of sulphate pulp has been the paperboard industry—shipping containers, fibre cans, drums, tubes, etc. In the dissolving or rayon pulp field, sulphite has

(Continued on page 2, col. 7)

Hudson's Bay Starts Work On Vancouver Addition

From Our Own Correspondent

VANCOUVER — Fourth large department store project in Vancouver recently was announced this week, as Hudson's Bay Co. revealed plans for a $2 million, six-story addition to its present store at Georgia and Granville streets.

The new wing will have a 350-foot frontage along Seymour St. conforming with architecture and facade of present store. Tearing down of seven old stores has begun.

This is part of $5 million program under way by the Bay in Vancouver and Victoria. Previously $2 million addition to Victoria store was announced and company has started work on $800,000 warehouse in Vancouver. The new store will add about one-third floor space to present store.

The T. Eaton Co. Limited is drawing up final plans for its large department store on site of old Hotel Vancouver diagonally across the street from the Bay.

The Robert Simpson Company Limited has purchased old Kelly-Douglas & Co., wholesale grocers, warehouse, on Cordova St., across the street from David Spencer's department store. Simpson's is now moving into the building and although it announced first it would be strictly mail order business, it is understood it will now have a retail sale floor.

Zellars has also opened a store in old B. C. Electric building in same block as Hudson's Bay.

Woodward Stores Ltd., another large local, will build a $400,000 warehouse on Grandview highway and Slocan.

This company has bought six acres of land and will start building in spring. This is first unit of a huge distributing centre for merchandise to Vancouver, New Westminster and Port Alberni stores. Building will have 120,000 square feet of storage space.

Canada-U.S. Arms Unity In Making

Howe Going to Washington for 'Momentous' Talks on Co-ordinating Continental Defense — Exchange of Equipment, Weapons Big Topic

By KENNETH R. WILSON

OTTAWA (Staff) — Canada will launch next week in Washington momentous discussions aimed at creating a new co-ordination of continental defense between the two countries.

The essence of the new proposals is co-ordination and reciprocity in the production and exchange of defense equipment and weapons between Canada and the United States.

Initial overtures will be made by Trade and Commerce Minister Howe, when he visits Washington next week.

Official purpose of the Howe visit is to sign the important screw thread standardization agreement.

Starting point in the proposals is the new Canadian defense and rearmament program now under review at Ottawa and projected for the next fiscal year.

This program, still in its tentative stages involves:

(a)—Adoption of U. S.-type equipment by enlarged Canadian forces.

(b)—Procurement of large and expensive U. S. weapons such as tanks, anti-aircraft guns, etc., which cannot economically be made in Canada.

(c)—Use of Canadian plant capacity in excess of purely Canadian needs.

Best Use of Industrial Capacity

The proposal, in brief, is that industrial capacity be co-ordinated for defense purposes on a reciprocal basis between the two countries.

This would have far-reaching implications in terms of standardization, stockpiling and possibly the eventual pattern of trade and economic relations between the two countries.

For the immediate future, it would mean that the United States would undertake to look after Canadian defense requirements on certain items.

In return, Canada would offset this by supplying a part of U. S. needs in lines where our plants have excess capacity and can produce efficiently and readily.

It is not considered here that these arrangements would need to be put down in black and white or committed to a formal, itemized undertaking.

It is considered likely and desirable that there be some new over-all undertaking, possibly a restatement of the present post-war "Hyde Park agreement," so as to meet the specific problems of defense rearmament arising out of the "cold war."

Effect of U. S. Election

For example: United States armed services are presently prohibited by law from exporting weapons or arms to Canada (Financial Post Sept. 18). This arises more from a technicality than from any deliberate policy of slowing down defense co-operation between the two countries. But it is a matter of prime importance if there is to be initial or ultimate reciprocity in production and exchange of weapons between the two nations.

Even before the U. S. presidential election this matter was under review between Ottawa and Washington. It was one of the items which Ottawa hoped would be cleared away, whichever party was returned on Nov. 2.

The return to office of President Truman and a Democratic administration has chiefly affected the timetable of this and other negotiations. In short, it has speeded up the moment at which positive action can be taken in Washington to discuss and negotiate along these lines. It has reduced the time that would have been used up acquainting a new administration with the special features of Canada-U. S. relations on this and other matters such as a reciprocal trade treaty, the St. Lawrence Seaway, North Atlantic Pact, etc.

(Mr. Howe had planned to visit

(Continued on page 7)

Inside News

Reds, Defense Bottleneck

Can Communists halt Canada's defense program? Ability to paralyze potential war industries is admittedly their objective behind the smokescreen of their newest party line "Peace" front. Today, through labor unions, the Reds are in a position to pull switches in 11 key industries. Will they do it? How can they be prevented? (p. 15).

CCC is Biggest Buyer

What is the Canadian Commercial Corporation? It's Canada's most versatile central purchasing agency, ready to buy anything from guns to butter, of which the Dominion may stand in need. Its purchases have already ranged from ocean-going ships to Scottish bagpipes; from day-old chicks to horsemeat. The Financial Post tells who is who in the CCC, and how it functions (p. 15).

Defense Alliance Needed?

Should Canada enter a defense alliance with the United States and Western Europe? What would be its benefits, and what its detriments, if any? What would be its effect on the British Empire—or "The Commonwealth," as it is in future to be designated? Informed Financial Post readers discuss the question (p. 11).

Building YOUR Business

Before you alter business methods, or expand present ones, it is good policy to find out what your customers think of what you are doing now. Keep your eye on competitors, but don't follow them slavishly. The man who comes out on top in a business race, is often the one who runs counter to the pack. Article VIII in The Financial Post's Series "How to Make Your Business Grow." (p. 16).

Insurance Survives War

Life insurance in most countries of Western Europe has survived the upheavals caused by war and inflation, officials of Canadian and American insurance organizations report. Russia of course is a question mark; but at least some form of industrial insurance is believed in operation there. (p. 20).

Early Vote in U. K.?

British Socialists hail the surprise victory of President Truman in the United States elections; and some observers predict a United Kingdom election next February or March, as a result. Meanwhile, the Old Land, weary of the Berlin crisis, is awaiting with eager interest, the royal birth, now expected almost daily. London Calling, by Adelphi (p. 28).

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Pace of Business

Dow-Jones industrial average dropped 15.83 points from Nov. 1—day before U. S. elections—to Nov. 9. In the same period the Toronto Stock Exchange industrial index eased only 4.48 points. This independent strength of the Canadian market is unprecedented in several years.

Steel ingots and castings production totaled 257,865 tons in Sept. (263,054 in August and 234,188 in Sept., 1947). Sept. production of pig iron amounted to 182,465 tons (191,383 in August and 169,630 in Sept., 1947). Ferro-alloy output in September totaled 12,318 tons (12,700 in August and 11,152 in September last year).

Cheques cashed against individual accounts in Canada amounted to $6,709,737,000 (up 13.1% over Sept., 1947's $5,934,375,000). During first nine months cheques cashed were 6.5% over same period of 1947 and higher than the similar period of any other year.

Coal production in Canada during August amounted to 1,380,000 tons (up 13% over August, 1947's total of 1,216,800 tons), according to DBS. Output for first eight months of 1948 totaled 11,257,500 tons (9,071,500 in same period last year).

Creamery butter stocks in cold storage in nine Canadian cities amounted to 32,660,000 lbs. on Nov. 1 (33,493,000 on Oct. 1 and 48,862,000 on same date of 1947).

Carloadings on Canadian railways during the week ended Oct. 30 were 91,603 cars, new high for 20 years (up 482 cars from previous week, 1,815 from same week of 1947), DBS reports.

Dollar sales of Canada's retail trade in September averaged 7% over the same month of 1947 and 8% over August, 1948, according to DBS sample. For first nine months, sales volume stood 11% over same period of 1947. Unadjusted indexes (base 1935-39 = 100) stood at 258.8 for September (239.5 for August and 241.0 for Sept., 1947).

Canadian wheat stocks in store or in transit in North America at midnight on Oct. 28 amounted to 184,014,000 bus. (up 3,639,000 over Oct. 21 total and 34,906,000 over same date of 1947).

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PRICES

(Continued from page 1)

estimated for 1948 at about 6 lb.; in 1940 it was 2.4 lb. Butter consumption has suffered in the inverse ratio to the per capita tune of 10.5 lb., as compared with 17 lb. in 1940. With price-forced margarine acceptance on the upswing, butter prices just weren't standing the gaff.

Canadian consumers could well afford to look twice at the U. S. picture. Should the Supreme Court decide the margarine ban to be ultra vires, a removal of the butter monopoly could mean a duplication of much the same situation, and lowered prices the end result.

Cost of living continued its upward trend during September, but its pace slowed down considerably.

DBS figures showed the index (1935-39=100) at 159.6 on October 1, 0.7 points above the reported total at September 1. The new rise, while only half of the 1.4 jump during August, brings the index 17.4 points over the total registered on Oct. 1 last year, and 58.3% above the August, 1939 figure.

Broken down, the total index looked like this: foods up 1.5 points to 205.4; fuel up 0.3 to 128.8; clothing up 1.1 to 181.0; and home furnishings and services up 0.9 to 165.1; and rents and miscellaneous unchanged at 121.0 and 124.4 respectively.

Potential television buyers got something of a setback last week as the CBC announced a tentative television fee of $10 a year, while at the same time deferring license applications pending further discussion of a co-operative video broadcasting system for Canada.

The new fee, while four times the present radio fee, was ultra-conservative compared to the best guesses (of up to $40) of most of the experts. The $10 toll charge is exactly $10 higher than in the U. S. and $6 above the British fee.

Most authorities in the field, however, were betting that the figure was only temporary. Conceivably, for the CBC to carry out its altruistic aims of making television available to every Canadian no matter how remote, could cost the public a whole lot more than $10 a year.

Truman's win is likely to prevent any sharp drops in U. S. farm prices.

With the farm vote a decisive factor in returning a Democratic administration, U. S. farmers aren't expected to suffer much. In spite of steep price tumbles in most key crops this year, farmers are getting along pretty well on the floors of government price supports. So much so that they're planning to plant as much acreage or more than this year's bumper crop took.

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Beware of Bogus 'Circulation Men'

A few months ago, business offices in Toronto were being victimized by a phony visitor who pretended to represent publishing concerns. He falsely claimed to represent The Financial Post, among others.

His usual story was that fire had damaged the subscription records of the publication which he claimed to represent and that he was merely checking the subscription list.

Using this story, he prowled around offices, without being asked for credentials of any kind. Later, money was missing from desk drawers and purses. By the time this was reported to the publishers, both the trail and his description were difficult for police to follow.

This fraud is again at work.

Subscription and circulation representatives gladly show their credentials which are issued by their publisher or by the Association of Canadian Circulation Executives. Have your receptionist ask to see such credentials.

Obituaries

Archibald Browne, 86, Cornwall, Ont., artist.

George Charles Brister, 62, Kentville, N.S., former head Charles Brister & Sons.

Daniel McL. Brophy, 85, Westmount, Que., former Westmount postmaster.

Peter G. Campbell, 56, Toronto, president, Toronto Maple Leaf Baseball Club.

Edward Caine Sr., 61, Cornwall, proprietor Cornwall Ice Co.

D. D. Calvin, 67, Toronto, architect and historian.

Edmund Arthur Conway, 59, Toronto, former inspector, CPR investigation department.

Sydney C. Dixon, 58, Winnipeg, senior music producer, prairie region, Canadian Broadcasting Corp.

Lucien Dubois, 55, Gentilly, Que., farmer, historian, M.P. for Nicolet-Yamaska.

Martin Wingate Eager, 69, Grande Prairie, Alta., barrister and postmaster.

William Edmonds, 85, Toronto, former contractor and builder.

George Frederick S. Fallwell, 49, Regina, branch manager, Canadian Fairbanks-Morse Co.

Matthew Graham, 55, Montreal, special representative, Bell Telephone Co. of Canada.

James Grindley, 70, Winnipeg, former superintendent, city market.

Judge John Garrett Cory, 74, member county court, eastern Manitoba judicial district.

Ernest Victor Graham, Windsor, Ont. apartment house manager.

R. Watson Grimmer, 82, St. Stephen, N.B., former partner Inches & Grimmer; former MP and MPP.

Robert A. Johnston, 62, Toronto, head of Johnston's Haulage.

Harold T. Homuth, 50, Preston, vice-president and managing director, Otto Homuth Sons Ltd.

James Kirk, 59, Toronto, head of Kirk Motors.

Joseph A. Kilpatrick, 80, Montreal, chairman of board, Canada Iron Foundries Ltd.

John B. Morrison, 58, Fergus, registrar of deeds, Wellington County.

John Methven, 64, Chatham, Ont., architect.

G. K. Mills, 83, Barrie, Ont., former provincial inspector of continuation schools.

Colin Cameron MacKellar, 56, Montreal, general sales manager, Dominion Textiles Co.

Francis J. Klema, 70, Winnipeg, grain broker.

Prof. Abram Lighthall, 70, Vancouver, land surveying authority.

Richard T. W. Lewers, 68, Toronto, former branch manager, Bank of Montreal.

Samuel Mendelsohn, 62, Toronto, secretary-treasurer, Vanity Shoe Store Ltd.

Dr. George Lloyd McKee, 82, Montreal, formerly on staff of federal Income Tax Department.

James Elrick Rettie, 61, Winnipeg, manager, Provincial Exhibition.

Charles Francis Sterne, 44, Brantford, industrial chemist, director G. F. Sterne & Sons Ltd.

Charles Stevens, 86, Toronto, former music publisher.

Harold B. Smith, 55, Brandon, druggist; national councillor, Canadian Chamber of Commerce.

Roy Sykes Van Vlack, 66, Toronto, retired paving contractor.

John Gordon Webber, 76, Vancouver; former chief mining recorder, Winnipeg.

Joseph Walker, Toronto, partner Stanway & Walker, insurance.

Look For It Here

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ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

American College of Surgeons—Dr. N. W. Philpott (Montreal), a regent.

Anaconda American Brass Ltd. (New Toronto)—A. R. McGinn, secretary-comptroller; E. J. Bairstow, treasurer; Wm. A. Moffatt (Waterbury, Conn.), Gault McCombe (Montreal) directors.

Association of Life Insurance Medical Directors of America — Dr. Cecil C. Birchard (Montreal) executive council member.

British Rubber Co.—Edward G. Wellheiser, general sales manager.

British Columbia Electric Co.—Wm. H. Q. Cameron, solicitor.

Bank of Canada—O. B. Wooster, Vancouver agent; K. C. McLean, Vancouver accountant.

Canada Life Assurance Co.—Earl J. Tweedie, district manager, Sault Ste. Marie.

Coleman Lamp & Stove Co. (Toronto)—Lyle C. Whealy, general sales manager.

Canadian Pacific Railway Co.—D. C. Hartley, superintendent, Regina.

Chatco Steel Products Ltd. — H. Douglas Brock, sales manager, heating division.

Certified Public Accountants Association of Ontario—Chester F. Waters (Toronto), honorary life president; D. F. McKechnie (Toronto) president; Kirby F. Hannan (Toronto), John E. Lee (Hamilton), vice-presidents.

Canada Steamship Lines—Louis Hickey, M. F. Conway, purchasing agents.

Canadian National Railways—E. C. Matthews, divisional engineer, Edmundston; H. A. Fuller, assistant maintenance of way engineer, Atlantic region (Moncton).

Crown Trust Co.—J. William Horsey, a director.

Davis Leather Co. (Newmarket, Ont.) — Kaspar Fraser (Toronto), Geo. P. Watt (Montreal) directors; Douglas J. Hutchings, general manager.

Guaranty Trust Co. of Canada—L. H. Kelly, manager, real estate department.

Heaps, Waterous Ltd. — F. F. Clarke, in charge of ship repairs, New Westminster plant.

Hudson, McMackin & Co.—Walter W. B. Dick, a partner.

Loblaw Groceterias Co.—Geo. E. Huffman, vice-president in charge of merchandising; Alex Agnew, in charge of meat operations; Frank W. Morley, sales manager; James Cormack, assistant merchandising manager, in charge of grocery buying.

John Labatt Ltd.—Steve Levantis, a Toronto representative.

S. R. Mackellar & Co. (Toronto) Miss R. I. Hayden, Frank C. Cassidy, general partners.

Mackenzie, White & Dunsmuir Ltd. (Vancouver)—H. Harry Arnstead, manager, radio and electrical appliance division.

National Trust Co.—E. C. Fox, a director.

Niagara Textile Co. (Lockport, N.Y.)—Cecil T. Dunseith (Toronto), a director.

National Thrift Corp. (Halifax) — Malcolm M. McDonald, staff member, Truro.

National Life Assurance Co. of Canada—John A. Rhind, treasurer, and head of investment department.

New Brunswick Government — Hon. Jas. W. Brittain, Minister of Education.

Office Specialty Manufacturing Co.—J. S. Kavanagh, manager, Ottawa branch.

Ontario Labor Relations Board—David Archer, a member.

Ontario Hospital Association—Miss Pearl Morrison (Toronto), president; John R. Marshall (Peterborough), Sister M. Pascal (Toronto), R. J. Weatherill (St. Catharines), vice-presidents.

Ontario Recreation Association—E. H. Devitt (Waterloo), president; Quirt McKinney (Peterborough), Mrs. M. D. L. McLellan (Brantford), vice-president; R. MacArthur (Waterloo), secretary, H. Ballantyne (Kitchener), treasurer.

Permanente Metals Corp. (Oakland, Cal.) — Chas. M. Kinghorn (Montreal), director roll forming program, Spokane, Washington.

Purity Flour Mills Ltd.—John A. McDougald (Toronto), a director.

Robert Simpson Western Ltd. — W. F. Johns, manager, Calgary order office.

Tomenson, Saunders, Smith & Garfat (Toronto) — Kenneth F. Jones, manager, engineering department.

Townsend Co. (Maritime) — D. R. Townsend (Montreal) president; M. G. Townsend, vice-president; Gordon D. Cobham, managing director; A. E. Wilson, secretary-treasurer.

Tanner & Co.—Carl A. Macdonald, manager, Edmonton office.

Unique Crests and Athletic Supplies Ltd.—Fred B. Clark, a director.

United Commercial Travelers of America—W. Austin Jackson, Montreal, grand counselor, Ontario-Quebec jurisdiction.

Woods Manufacturing Co. — Oswald O. Hines, special representative, bag division, Toronto; R. M. Lowry, Toronto manager.

City of Ottawa announces the retirement of Frank C. Askwith, Works Commissioner.

Office Specialty Manufacturing Co. announces the retirement of W. E. Houghton as manager, Ottawa branch.

Canada Steamship Lines announces the retirement of W. J. Caney, general purchasing agent.

Bank of Canada announces the retirement of William Morton, agent at Vancouver, and of Frederick D. Ross, accountant, Vancouver.

Anaconda American Brass Ltd. announces the retirement of W. H. Stewart as secretary-treasurer and a director.

Dominion Government announces the retirement of F. H. Peters, chief of surveys and mapping bureau.

Canadian Pacific Railway Co. announces the retirement of C. W. Atkin, freight agent, Winnipeg.

Sales Promotion Advertising and Administration

An expanding industry or an agency would be interested. Sixteen years successful experience would support a senior posting.

GEO. R. HEADON
Cooksville, Ontario
Phone 300W

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with experienced background. This is a responsible position in our Advertising Department in Windsor, Ontario, to handle production, planning and supervision of complete promotional campaigns—in co-operation with Agency. The man we are looking for is preferably under 35. Please state in letter your qualifications, experience and educational background. All applications confidential. Address your reply to the:

MANAGER, EMPLOYMENT AND PLACEMENT DEPARTMENT FORD MOTOR COMPANY OF CANADA, LIMITED, WINDSOR, ONTARIO.

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITIONS WANTED

SECRETARY—MALE. Do you need an extra right hand? Competent, quick-thinking, energetic; senior matriculation, honour secretarial graduate, 2 years commercial teacher. Experienced correspondent, office appliances, accustomed to responsibility. Veteran, age 28. Box 204, The Financial Post, Toronto 2.

CHARTERED ACCOUNTANT, 37, desires responsible position with future. Banking and commercial experience. Box 210, The Financial Post, Toronto 2.

ACCOUNTANT

CORPORATE SECRETARY, purchasing, office management experience. Accustomed to large responsibility. Last position eight years in Executive capacity. Available immediately. Age 36, married. Box 213, The Financial Post, Toronto 2.

YOUNG BUILDER desires employment, any locality. Has built complete houses from design to last lick of paint without skilled assistance. Stone masonry, brickwork, carpentry, reinforced concrete, draftsmanship, quantities, field surveying and industrial experience. Nominal salary. Morrison, Twelve Garrioch Drive, Glasgow.

FINANCIAL EXECUTIVE

AVAILABLE AS COMPTROLLER, secretary-treasurer or senior accountant, age 38. Experience covers 20 years financial and industrial accounting, costing and management. Apply Box 212, The Financial Post, Toronto 2.

EXECUTIVE or COMPTROLLER — Extensive office and business training—all phases of accounting, treasury, auditing, administration, office and credit management. Unquestionable references from home and abroad. Replies confidential. Box 222, The Financial Post, Toronto 2.

OBJECTIVE ACCOUNTANT, Institute of Internal Auditors N.Y. training, public accountant experience, seeks executive assistant opportunity. Box 220, The Financial Post, Toronto 2.

BUSINESS OPPORTUNITIES

CAPITAL DESIRED

MANUFACTURER AND DISTRIBUTOR requires $50,000, repayment 5 years, 5½% fully secured. Box 207, The Financial Post, Toronto 2, Ont.

TEXTILE MANUFACTURING PLANT, going concern in Provincial town, proven profits, $35,000 cash, balance terms. Box 215, The Financial Post, Toronto 2.

AGENCIES WANTED

WESTERN CANADA SALES AGENCY Br. Office: Vancouver, B.C. Inquiries Invited. Rm. 607-356 Main St., Winnipeg, Manitoba.

REAL ESTATE

FRASER VALLEY PROPERTY FOR SALE

TEN ACRES, highway, access to river, suitable mill, tourist camp, fox, poultry ranch, three houses, electricity, good water, excellent view. Box 211, The Financial Post, Toronto 2.

EXCELLENT INDUSTRIAL SITE bordering Lake Erie, consisting of 80 acres, water and rail facilities, gas well, ideal for steel plant, enquiries confidential. Wellington Gilmore, Broker, Welland, Ont.

STURGEON LAKE
A Show Place in the Kawarthas

One of the most distinctive and best constructed summer properties in Ontario; 50 acres with about 1800 feet shoreline and depth of 1500 feet; easily accessible; secluded without being isolated; private winding driveway; suitable for gentleman's residence or high-class resort.

Main building 36 x 60; cut stone and timber exterior; rock foundation; 1 huge and 2 smaller verandahs; architect designed; constructed in 1936. Living room 23 x 33 with open stairway and alcove with stone fireplace, stucco walls, and panelled wood ceiling; spacious dining room with corner stone fireplace; electrically equipped kitchen; 2 pantries; back stairway, etc. Upstairs are 6 double bedrooms—including master room with stone fireplace; 2 single bedrooms; 2 modern bedrooms; linen closets, etc. The house is completely furnished, in keeping with the surroundings.

In addition to the foregoing there is a 4-car garage with tool house; a launch house with game room above; insulated 4-room cottage; insulated 2-room unfurnished cabin; 1-car garage; chicken house; 2 tea houses; woodshed and outhouses; stone barbecue; wired-in tennis court; housed artesian well and other extras. A launch, rowboat, canoe and hoisting equipment; electric lighting throughout the grounds; flagstone walks; telephone service included. This property would make an excellent club house; exclusive listing.

PRICE $48,000

FRED H. REID, BROKER
Featuring Vacation Properties
1 Toronto St. WA. 6302

New Methods Widen Fields

(Continued from page 1)

held the inside track, due to the higher purity of the pulps it can produce.

On the basis of the International Paper Co. announcement, however, it appears that the sulphate process has undergone further refinements and can now produce the high purity pulps required for the textile industry.

And the new sulphite development? Some of the benefits which Weyerhaeuser expects to obtain in its 300 ton-a-day mill are: (a) the plant will become self-sufficient in respect to both its steam and power requirements (b) a substantial saving in the cost of the pulping reagent (c) the waste sulphite liquor disposal problem will be economically solved.

These benefits are possible as the result of a switch in chemicals—magnesium instead of calcium. One of the big problems in the calcium-base sulphite liquor process is that the liquor cannot be burned off, and the chemicals cannot be recovered.

By switching to magnesium, Tomlinson discovered that the liquor could be (a) evaporated (b) burned to generate about 12,000 lb. of steam per ton of pulp (c) both magnesium and the sulphur contained in the liquor could be almost completely recovered. This means that a so-called "cyclic" process can be established. Also important, is that stream pollution from waste sulphite liquor can be largely eliminated.

Best of all, pulp men say, it

FOR SALE — IN OTTAWA

COMPLETELY EQUIPPED METAL WORKS PLANT

Fire proof building 5,000 square feet, oil heated, land 1¾ acres, complete with 6 lathes, 4 drill presses, 1 surface grinder, 1 internal grinder, 2 millers, 1 six inch shaper, 15 punch presses from 5 to 125 tons, complete spray paint room, with infra red drying oven and conveyor system, etc. Plant operating at capacity with competent management and staff. Full information will be given to interested principals only.

WRITE BOX 219, THE FINANCIAL POST, TORONTO

"MY BANK"
TO A MILLION CANADIANS
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DON'T SELL THOSE BONDS!

IF YOU ARE SHORT OF CASH...

arrange a low-cost loan at the B of M.

You saved a long time for those bonds. Don't let your investment go now . . . you'll find it hard to replace.

At the B of M you can borrow against your bonds *quickly and easily*—and repay your loan in easy instalments. The low interest rate will surprise you.

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working with Canadians in every walk of life since 1817

ENGINEER-EXECUTIVE

Mechanical engineer with 15 years experience in several industries desires employment with progressive company interested in products or process development located in dry area.

BOX 217, THE FINANCIAL POST, TORONTO.

HELP WANTED — MALE

Experienced Time Study Man required by Waterloo County Metal Manufacturing Concern.

Apply, stating full particulars, including age, experience, salary required, etc., to

BOX NO. 185, THE FINANCIAL POST, TORONTO

We have prepared an up-to-date informative bulletin on

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Canada's second largest Silver - Lead Producer

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S. J. BROOKS & COMPANY
Members The Toronto Stock Exchange
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WHEN A YOUNG MAN WANTS TO MAKE AN IMPRESSION . . .

When a young man wants to make an impression and make it fast, Simpson's young Man's two-button lounge will help you make it . . . and make it stick!

It smartens the average young man's figure . . . gives breadth of shoulder without drape. And you can trust it when eyes are on you behind your back . . . for the slanting fullness at the shoulder blades suggests the wedge-shaped lines of a good build.

It's an outstanding example of "proportion-tailoring" as practiced in Simpson's Tailored-To-Order Shop. If you're a young man out to make an impression . . . drop into Simpson's Tailored-To-Order Shop. See what Simpson's young man's lounge model can do for you.

Simpson's TORONTO

Tailored-To-Order Shop
Second Floor

Newfoundland Revenues Down As Railway Tieup Continues

Special Correspondence

ST. JOHN'S — After a brief rally over the preceding two months (The Financial Post, Sept. 18, Oct. 16), Newfoundland revenues took a dip last month as the railway tieup here, now ending its fourth week, cut imports and therefore, customs returns, and affected other government departments. Every revenue producer shows lower returns than for the same month last year.

Drop in imports cut customs returns to $1.6 millions, down about $500,000 from the same month last year. Department of Posts & Telegraphs dropped about $6,000; Assessor of Taxes, $225,000; Natural Resources, $4,000; and other revenues, $161,000. Figures follow:

Head of Revenue	Oct. 1947	Oct. 1948	Apr.-Oct. 1947-48	Apr.-Oct. 1948-49
Revenue:				
Customs	$2,162,282	$1,660,074	$14,494,774	$12,396,209
Posts & Telegraphs	125,452	118,559	976,810	953,902
Assessor of Taxes	383,682	158,376	8,692,151	9,187,633
Natural Resources	41,387	37,446	310,976	281,600
Other revenues	425,140	264,048	1,796,748	2,043,461
Total revenue	3,137,943	2,238,503	26,271,459	24,862,805
Expenditure (Net)				
General	3,768,755	3,292,238	21,509,471	21,307,209
Int. & other debt charges	....	....	1,982,850	2,182,864
Total expenditure	3,768,755	3,292,238	23,492,321	23,490,073

See Exchange Curbs Lasting Until Year End

OTTAWA, (Staff) — The spectacular showing of Canadian exports to the United States in September is not likely to lead to any relaxation in dollar imposts before Jan. 1.

It is admitted that the September showing was unexpectedly large and that it extends the steady improvement shown in earlier months. But most quotas and calculations are on a quarterly basis, and there is litte disposition to take any action between now and January.

As announced last week, import allocations under the administration of Rt. Hon. C. D. Howe have been set for 1949 on exactly the same basis as 1948. The basis has now been announced for the entire year, so that manufacturers can project their plans for the 12-month period.

This does not mean that there may not be important relaxation of quotas or permits during 1949. The new system, in effect, sets down a "floor" for dollar permits. There is virtually no question of anyone's getting any fewer dollars; there is every prospect that as 1949 dollar policy evolves, there will be considerable and extensive additions from time to time.

Import permits on the new basis are being sent to individual firms as quickly as possible. There are no forms to be filled out, except in the case of firms which have a carryover of U. S. dollars from 1948. Officials have asked that this form be returned as quickly as possible, indicating the estimated amount of that carryover.

Provision is being made in the new system that holders of allotment permits may claim as an addition to their 1949 allotment any "reasonable" balance unspent in 1948. Any unclaimed export bonus earned up to the end of the year may also be included in carryover. In the same manner, firms who have overdrawn their 1948 account are liable to have this debited from 1949 allotments.

The word "reasonable" in respect of 1948 carryover, is open to individual interpretation by department officials and there is no cut and dried yardstick. An extreme case where the carryover would probably not be allowed, would be that of a firm which had not used any of its 1948 allotment and wanted the entire sum carried forward into 1949.

To earn an export bonus in 1949, manufacturers have only to show an increase in their sales abroad during that year over and above their exports during the basic period (November 1946 to October 1947).

60% Space Sold In '49 Trade Fair

Planning to exhibit at next year's Canadian International Trade Fair? The call's gone out to "hurry, hurry, hurry."

Already more than 60% of the available space (750,000 sq. ft.) has been booked in the Coliseum, Electrical and Automotive Buildings at the CNE park in Toronto where the Fair will be held from May 30 to June 10.

Priority on space (which rents at $2.50 per sq. ft.) is going to 1948 exhibitors, will be finally allocated in January, 1949.

Exhibits will be classified under 21 headings (instead of 22 this year, plastics having been dropped as a separate classification).

And with a worldwide advertising campaign under way (ads in 800-odd publications, printed in 25 languages) invitations to visit the Fair have gone out to 150,000 persons in 75 countries. At travel agencies throughout the world Canada is being sloganized as "the new world market place."

In announcing these details Administrator Reginald Dayton adds that the Fair next year will not be confined to "buyers"; will be open to any "business person" from president to junior executive. Public will be admitted on three days.

Calgary Short $225,000 Till Bylaw Passes

From Our Own Correspondent

CALGARY — Calgary's city treasury will be short an estimated $225,000 needed to meet cash commitments Nov. 15, City Treasurer W. H. Partin has informed the Finance Committee.

Only approval by the ratepayers, Nov. 17 of a $500,000 money by-law for new transit system buses and equipment will retrieve the situation, he stresses. Should the bylaw be defeated, special borrowing measures will be required to recover capital expenditure from next year's taxes.

Acording to one alderman, the City of Calgary is in "a precarious position," and unless ratepayers pass the bylaw, about six mills may have to be added to next year's tax rate.

In his report Partin explained that the transit system was overexpended to the amount of $350,000 to pay for new conversion equipment. Cash had to be taken from the general account when new buses arrived.

The situation has been discussed by city financial experts and Mayor J. C. Watson. The Bank of Montreal is reported prepared to lend the city up to $490,000, providing the money bylaw passes and its unsold debenture issues are put up by the city as collateral.

Canada Seeks 'Token' Entry Into Sterling Area Markets

Canada is making "strongest representations" in London over the present import control setup in British West Indies as constituting a solid barrier against traditional Canadian suppliers. The U. K. Government has been asked to institute a token system of imports similar to that in operation in the case of certain lines of Canada-U. K. trade.

According to W. F. Bull, chief of the export permit branch of the Department of Trade and Commerce, the whole question is "under very active consideration in London at the present time."

He added that the Government may later take up the question of trade with Australia, New Zealand and other members of the sterling bloc controlled from London, along similar lines.

The West Indies question was being tackled first because the area was a traditional market for Canada; we were not in such a good bargaining position in regard to other Empire countries.

Under the U. K. token plan Canadian exporters who sold in the United Kingdom prewar may now sell there at an annual rate not exceeding 20% of their earnings for a prewar base year determined by striking an average annual rate from 1936, 1937 and 1938 sales.

In the case of B.W.I. (and all British colonies and other sterling Dominions except South Africa) individual import controls apply; and the complaint is voiced that as a result, Canadian exports are being frozen out completely.

This has been the subject of several briefs to Ottawa in the last six months by the Canadian Exporters Association, pressing for some such scheme as is now being discussed, in order to keep Canadian brand names before consumers in the areas affected.

Several difficulties have cropped up in the London discussions, according to Mr. Bull. Chief of these is finding a satisfactory base year, since Canadian trade with B.W.I., until the new import restrictions became effective this year, was running at an annual rate many times that of prewar, with Canadian firms introducing 50 to 60 new products to the market every year.

RENABIE MINES reports estimated net profit before depreciation, of $113,278 in the first nine months of 1948, when bullion production totaled $623,254 from treatment of 71,086 tons of ore. Estimated profit, before depreciation, was $49,065 in the three months ended Sept. 30. Production totaled $82,191 from handling 7,798 tons of ore averaging $10.54 in September.

CITY OF WINNIPEG Finance Committee has approved sale of a $2 million debenture issue, $1.5 millions for extensions to the city hydro and $500,000 for improvements and extensions to the waterworks system. The debentures will be issued for 20 years, paying 3¼% interest.

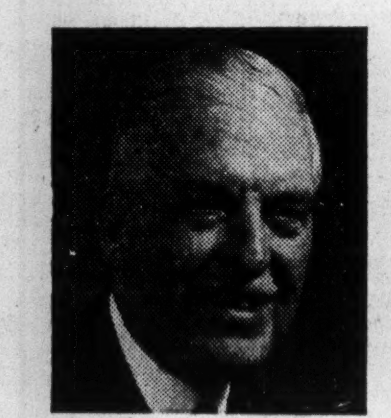
Underwood

means more than typewriters!...

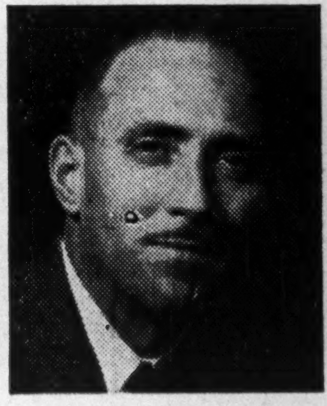
—it also means a Canada-wide organization with long-experienced personnel to serve every community ... with a complete range of business machines, office equipment and supplies.

JOSEPH L. SEITZ
President

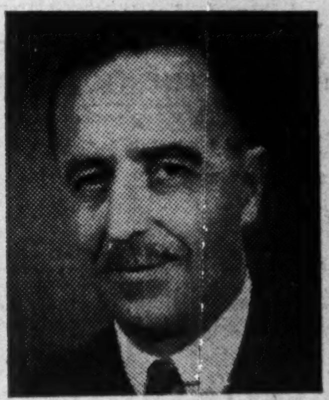
TYPEWRITERS ADDING MACHINES ACCOUNTING MACHINES SERVICE OFFICE SUPPLIES


JAMES F. CAROLAN
Assistant General Manager and Sales Manager of the Typewriter Division, comprising Standard, Noiseless and Portable Typewriters—for every writing need. They incorporate many *exclusive* time-proven features—features that have won for Underwood the 7-out-of-10 choice of Canadian business and education.

THOMAS V. KEENAN
Sales Manager of the Adding Machine Division, comprising manual and electric Underwood Sundstrand Adding-Figuring Machines—with the famous simplified keyboard. Only 10 figuring keys permit *maximum* speed by the touch system. Another Underwood leader in its field!


CLIFFORD C. OSBORNE
Sales Manager of the Accounting Machine Division, comprising 3 distinct lines of Accounting Machines—the Underwood, the Underwood-Sundstrand and the Underwood Elliott Fisher. There's no record-keeping job that one or more of these machines cannot do *faster*, more *economically!*

STANLEY H. SYMONDS
Manager of the Service Division controlling coast-to-coast subdivisions for monthly inspections, tune-ups and "in a hurry" service. Other allied divisions repair and factory-rebuild all models of typewriters, adding and accounting machines—*like new!*


WILLIAM J. O'REILLY
Manager of Office Supply Division, comprising carbons, ribbons, stationery, printing, furniture (from ash-trays to boardroom tables)—and all other essential items. Countless business houses rely *exclusively* on this Underwood service.

MEASURED by the length of time its employees have served the company, Underwood is over 12,500 years old. An amazing number of years? Yes, indeed! But, Underwood has been doing business a *long time*—serving Canadian industry and education since this century was born!

Underwood is understandably proud that *one out of every six* of its employees has been on the payroll 25 years or more. This year another score of men and women with quarter-century records of service will be ceremoniously enrolled in the Underwood Gold Key Club.

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Full information together with independent appraisers statement available.
BOX 216
THE FINANCIAL POST, TORONTO

INVESTMENTS THIS WEEK

Underlying Factors Seen Strong, Investors Uneasy

The New York stock market this week continued its violent reaction to the results of the U. S. election and dragged the Canadian stock markets down with it. Up to midweek, the Canadian markets showed fair resistance to the downtrend.

Dow theorists pointed at midweek to the decisive downside penetration by both the Dow-Jones industrials average and rail average to below their previous lows of 175.99 for the industrials, and 57.45 for the rails. The close on Tuesday was 173.93 for the industrials and 53.83 for the rails. The decisive penetration on Tuesday by the industrials, confirming the earlier penetration by the rails, calls for another test of the year's lows (165.39 and 48.13 respectively), they state.

Although New York investment sentiment now appears bearish and Canadian investment opinion remains divided on the outlook, the consensus of many astute investors and analysts is that higher stock prices will be seen before next spring, provided the risk of war is regarded as negligible. The underlying factors of record 1948 earnings likely to be shown by many companies, and of good business prospects for the next year, particularly for the heavy industries, are reasons for "not being too worried," they argue. Stocks are distinctly cheap on an earnings basis, and favorably priced from a yield standpoint; and each drop in the market makes this more so, they say.

But investors are very nervous and uncertain, and this offsets the apparently favorable basic factors. Re-election of President Truman did not change the business outlook or lessen the inflationary pressure, but it has caused U. S. investors to fear new corporate taxation and the imposition of new business controls.

While the depressing influence of U. S. investment sentiment is having its effect on Canadian markets, their action has shown a fair resistance to last week's break. Since Nov. 1 the Dow Jones industrial average has dropped from 189.76 to 173.93 at midweek or 15.83 points; but the T.S.E. industrial index has only dropped from 187.26 to 182.80.

There appears to be a feeling among Canadian market analysts that the Canadian markets will show fair strength, provided they receive a little encouragement from the New York markets. Buying is expected to continue highly selective and to be based on an evaluation of the prospects and position of each individual stock, analysts believe.

* * *

Annual Reports

The public relations value of showing company profits as a percentage of total sales volume (or even more simply, as pennies out of a typical dollar) was stressed in a recent ACA luncheon address by Ross Roy, president of Ross Roy Inc., Detroit, Mich. A survey has shown that the Canadian public believes business owners make a profit of 32c on the dollar and that 25c would constitute a "fair profit." Actually in 1945 Canadian corporations made only 4c on the sales dollar (after taxes), he pointed out.

In an address centred largely on the conflict between capitalism and Communism, Mr. Roy asked what each firm was individually doing to dispel the commonly held misconception that all business corporations are owned by closely knit groups.

The two foregoing points might well be considered by Canadian business executives when preparing next year's annual reports.

* * *

United Grain Growers Ltd. annual financial statement for the year ending July 31, 1948, contains no remarks of officers or directors. Some comment would be a useful addition to this report.

* * *

Consumers' Gas Co. of Toronto has brightened up its 100th annual report for the year ended Sept. 30, 1948, through the use of charts accompanied by setting of tables in black panels with the charts. This should add to readership.

* * *

Hayes Steel Earnings Up Due to No Interruptions

The difference which interruptions in production may make in a company's net profit is illustrated by the annual report of Hayes Steel Products Ltd. It shows a 69.8% increase in earnings per common share for the fiscal year ended July 31, 1948, over the previous fiscal year. This is attributed to the fact that operations for the past year "were not interrupted as in the previous year."

Hayes Steel Products common, at its current price of about $30 a share, is selling around 6.7 times its last year's earnings of $4.48 a common share, but yields only 3.33% on the basis of the $1 annual dividend paid this year. At its current level, the stock is selling about 41.4% under its book equity of $42.41 a common share. Working capital alone amounted to $27.68 a common share at July 31, 1948. There are 90,000 common shares outstanding.

* * *

Ogilvie Flour Charges Extra Depreciation

Ogilvie Flour Mills Co. is one Canadian company which has charged additional depreciation to cover the rising costs of new fixed assets.

Referring to the addition of $150,000 to the provision for depreciation to bring it to the unusually large amount of $732,573, the report explains:

"Our recent investments in plant and equipment, together with projects still to be completed — all of which are necessary to keep the company competitive in its production facilities — have been, and are being, made at costs materially exceeding those of prior years.

"Should future construction costs decline, these recent additions to the plant would exceed normal values. On the other hand should present construction costs continue or still further increase, the financing of replacements from time to time must be carefully planned, since the depreciation accrued on lower original costs will not provide the necessary funds.

"Under these circumstances, the necessity for writing down high capital costs and conserving our financial resources, becomes imperative.'

The Financial Post last week suggested that shareholders would welcome statements by company executives as to their individual policies.

* * *

Seagrams Balance Sheet Notes Explain Two Items

Consolidated balance sheet of Distillers Corp.-Seagrams for the fiscal year ended July 31, 1948, shows under sundry assets, notes receivable from certain directors and officers totaling $609,373. A note appended to the statement explains that 33,000 company shares (market value $540,000 at July 31) are held as collateral to the receivables.

The loan was made in connection with the purchase by Joseph E. Seagram & Sons Inc. of parent company shares for resale at cost to the directors and officers referred to, The Post is informed.

Also mentioned in the notes attached to the report is a $22-million action in which the company is co-defendant. This refers to a suit filed earlier this year by James Rutkin, Newark, N.J., naming Samuel, Abraham, Harry and Allan Bronfman, individually and doing business as the Bronfman interests, and Distillers Corp.-Seagrams and Joseph Reinfeld, New York, as defendants.

Rutkin contends that in 1931 he and Reinfeld had agreed to invest $500,000 in L.L. & B. Distilleries Ltd., Montreal; that a new and different arrangement was made with the Bronfman interests and that as a result, he suffered loss or damage.

* * *

Expect Some Public Financing For J. A. Rank Organization

Some form of public financing in Canada for the J. Arthur Rank organization is under discussion, according to reports in Montreal financial circles. Discussions are said still in the preliminary stages. Mr. Rank's Odeon chain now has 115 theatres in operation in Canada.

* * *

Can. Car. Bus Order Said Not Hit by S. A. Restrictions

Import restrictions recently announced by South Africa retroactive to July of this year are not expected to affect the South African orders now in the hands of Canadian Car & Foundry Co., a company spokesman told The Financial Post. Orders for buses and trolley buses were placed by South Africa 18 months to two years ago, it is stated.

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has been appointed general sales manager of the British Rubber Co., the rubber division of Mailman Corp.

LoanGuarantee For Brazilian Gets Approval

The Brazilian senate early this week passed the legislation which will allow the Republic to guarantee a loan to the Brazilian Traction Light & Power Co. from the International Bank for Reconstruction & Development, The Financial Post is informed.

All that remains is for the bill to be signed by the Brazilian president, and for the documents to be executed and registered. This is expected to take about a month. The bill authorizes guaranteeing a loan of up to $90 millions but the actual amount to be borrowed has been tentatively set at $75 millions, the company states.

Result will be stepping up of the company's capital expenditure program in Brazil as rapidly as is physically possible. This program has been held up, pending passage of the bill. The loan has been under negotiation for about a year.

Heaps, Waterous Common Offered

An offering of 63,533 no par value common shares of Heaps, Waterous Ltd. as an "industrial speculation" is being made by Fairclough & Co. Price is $4.50 a share.

Heaps, Waterous Ltd., New Westminster, B.C., manufactures a diversified range of machinery used in lumbering, forestry, mining, pulp and paper, grain and fisheries industries as well as conducting a large repair and parts replacement business. Waterous Ltd., Brantford, nt., is a large shareholder in it.

CITY OF ST. CATHARINES, Ont., has sold $237,706.67 2¼% and 2½% debentures to Gairdner & Co. on a bid of $98.883. The 2¼% debentures, due in one to five years, have been sold at a price to yield 2.35% while the $221,906.67 2½% debentures, due in from one to 10 years, will be offered at $99¼, to yield-2.65%.

DOMINION COAL CO. reports coal production at its Cape Breton and Springhill collieries in September at 336,709 tons. This compares with 191,662 tons in August and 333,691 tons in September, 1947. Aggregate for the first nine months is 2,968,812 (1,477,964).

Our Monthly Review and Securities List for November is prepared in an entirely new form with features of special interest to bond and stock investors.
Copies on Request
Wood, Gundy & Company
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MSE Computes Averages, Indices On Hourly Basis

MONTREAL (Staff)—Montreal Stock Exchange and Curb Market this week began issuing stock averages and index figures on an hourly basis, replacing former noon and closing figures.

The hourly figures, however, will not be taken into consideration in the compilation of records. The high and low for the week, month, year, etc. will be figured from the previous close.

Bell Telephone Said in Control Of Sag.-Quebec

MONTREAL (Staff) — Recent financing by the Saguenay-Quebec Telephone Co., with head office in Chicoutimi, has involved both additional common stock and an issue of bonds, The Financial Post learns this week. It is understood $800,000 of 3¾% bonds were sold through L. G. Beaubien & Co.

While the bonds were sold privately to one or two large business institutions, it is understood that Bell Telephone Co. of Canada has taken a substantial block of the additional common shares. It is believed that Bell now controls Saguenay-Quebec, and that it will soon assume an active interest in the management, headed by Antoine Dubuc.

Saguenay-Quebec Telephone Co. introduced dial service in Chicoutimi on Oct. 2, with an initial installation of equipment to serve 3,500 subscribers, and with provision for expansion as required.

Our
November
"Investment Securities Review"
Contains a Special Study of
Canadian Investment Fund Limited
The study is informative and of special interest because this is one of the oldest and most successful Investment Funds in Canada. Canadian Investment Fund Limited is under the management of Calvin Bullock and has a strong Board of Canadian and United States Directors.
"Investment Securities Review" for November also contains up-to-date facts and figures concerning a wide range of Government, Municipal and Corporation Bonds and Preferred and Common Shares. Write for a copy. We shall be pleased to send it to you.
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HYDRO - ELECTRIC POWER COMMISSSION OF ONTARIO monthly load summary of primary power demands for September, 1948, shows an increase of 3.7% or 78,347 kw (105,023 hp) over September, 1947.

The figures shown for primary demands (actual load plus cuts) exclude any savings in power resulting from regulatory restrictions adopted by the Commission on Sept. 14, 1948, and from the appeal to conserve electricity voluntarily, since these savings cannot be accurately determined. However, exclusion of this potential load is reflected in the smaller September increase in power demand when compared with recent months.

Detailed September summary follows:

Maximum 20-Minute Peak Kw.

Primary Demands:	Sept. 1948	Sept. 1947	% Incr.
(Actual Loads plus Cuts)			
South. Ont. ...	1,878,851	1,833,391	+2.5
Thunder Bay .	121,475	113,170	+7.3
Nor. Ont. prop.	207,593	183,011	+13.4
Total	2,207,919	2,129,572	+3.7
Total Generated & Purchased:			
South. Ont. ...	1,647,591	1,709,391	—3.6
Thunder Bay .	117,575	111,970	+5.0
Nor. Ont. prop.	243,048	210,551	+15.4
Total	2,008,214	2,031,912	—1.2

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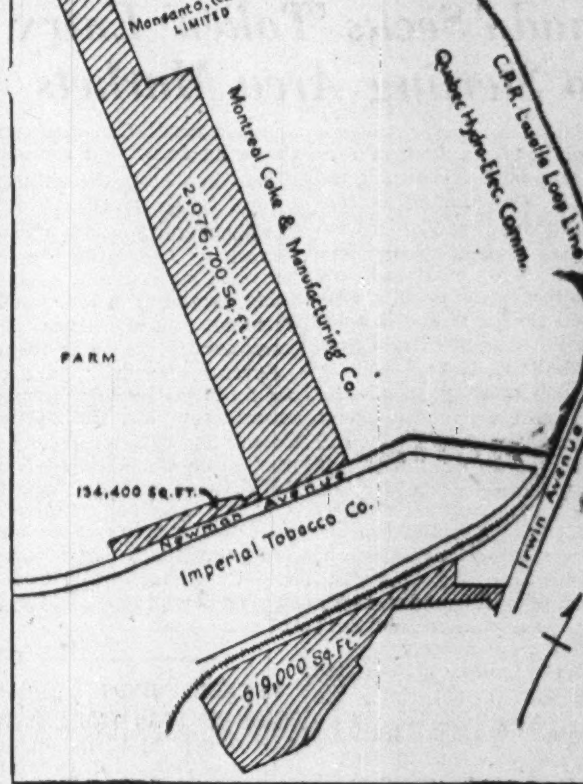

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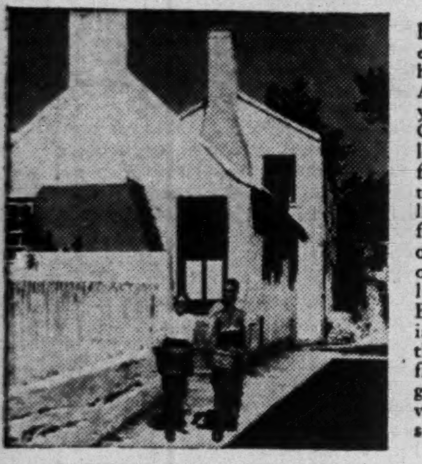

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Goodyear Tire Dividend Down But Sales High

Goodyear Tire & Rubber Co. of Canada's declaration of a 50c dividend payable Dec. 31, 1948, to shareholders on record Dec. 10, replaces the quarterly dividend usually paid the first of January, The Financial Post understands. No other declaration will be made. Last Jan. 2, the company paid a dividend of $4 a common share. This means total dividends of $3.50 a share have been declared in respect of 1948 earnings as compared with $10 a share for 1947.

The reduction in the amount of dividend paid is due to the necessity of financing the substantial capital expenditures of the company and also because the increased cost of doing business requires a greater amount of working capital, Vice-president and General Manager R. C. Berkinshaw states. As a result of these factors the directors felt that they should not pay out as great a proportion of earnings this year, he added.

Sales of Goodyear for this year have been maintained at a relatively high volume and earnings will show up very favorably, Mr. Berkinshaw states. Sales for 1947 were abnormally high as a result of the four-months' strike at the New Toronto and Bowmanville plants in 1946 which projected into 1947 sales and profits which would otherwise have been made in 1946. As a result of this factor both sales and earnings for 1948 will be slightly below those for 1947.

Short Position Rises on T.S.E.

Semi-monthly short position report of the Toronto Stock Exchange as of Oct. 30, shows aggregate short position, eliminating odd lots, on the books of member firms at 549,622 shares of 121 issues, compared with 479,690 shares of 123 issues. Main changes in short positions of individual mining stocks were:

Stock	Shares	Stock	Shares
Nicholson	+53,600	Bevcourt	+13,000
Base Met.	+52,300	Eureka	—4,600
Eldona	—64,400	Louvicourt	—4,500
Kirk. G. G.	+16,000	Steep Rock	+3,800

Stock	Shares	Stock	Shares
M. L. Mill.	—2,500	B.C. For. Pr.	+500
Bell Tele.	+747	C.P.R.	+395

Here is the complete short position as of Oct. 30.

Stock	Shares	Stock	Shares
Abitibi	100	Int. Nickel	215
A. P. Consol.	500	Int. Paper	350
Algoma Steel	125	Int. Pete.	1,350
Amal .Larder	3,500	Int. Uranium	1,000
Apex. Cons.	2,000	Joliet-Quebec	2,000
Argus Corp.	1,175	Kerr-Addison	1,100
Ashdown A	100	Kirk. G. G.	22,500
Ashley	1,000	Kirkland Lake	200
Athona	2,500	Labrador	2,600
Base Metals	52,300	Laguerre	5,000
Bell Phone	1,097	Lake Dufault	5,000
Bevcourt	15,000	Lake Wasa	2,500
Bordulac	1,000	Lamaque	100
Brewis R. L.	500	Laura Secord	225
B.C. For. Pr.	1,200	Lingman Lake	1,000
B.C. Pulp	10	Louvicourt	3,500
Brown Co.	200	Lunward	1,000
Buffadison	3,000	Macassa	3,000
Buff. Ankerite	1,700	Macdonald	21,400
Cal. & Ed.	3,000	MacLeod	500
Cdn. Brew.	1,700	M'cMillan Ex. B	100
Cdn. I. Alco. V.	400	Magnet	500
Cdn. Malartic	500	Malartic G. F.	1,700
C.P.R.	600	Maple L. Mill.	100
Cent. Porc.	500	Milton Brick	1,100
Cheskirk	1,000	Mining Corp.	1,500
Chesterville	6,900	M. & O. Paper	200
Chimo	500	Negus	300
Cochenour	5,800	New Jason	7,000
Croinor	6,500	New Marlon	500
Denison N.	7,000	N. Norzone	6,500
Detta R. L.	1,000	Nicholson	80,400
Dick'son R.L.	5,000	Normetal	3,900
Discovery	3,000	North Inca	4,000
Diversified	1,500	Okalta	1,600
Dome Mines	100	O'Leary	5,000
Dom. Coal Pr.	125	Osisko	10,000
Dom. Stl. & C. B	1,150	Osulake	4,000
Donalda	9,100	Pacific Pete.	3,900
Dulama	3,500	Pend Oreille	500
Duvay	9,500	Piccadilly	2,000
E. Malartic	1,300	Powell Rouyn	3,500
E. Sullivan	6,500	Preston E. D.	1,800
Elder	500	Que. Labrador	3,500
Eldona	64,400	Queenston	1,000
Eureka	14,000	Quemont	700
Fanny Farmer	200	Roxana Oil	5,900
Federal Grain	200	Rupununi	1,000
Giant Yk.	18,000	San Antonio	1,900
God's Lake	500	Senator Rouyn	500
Golden Man.	1,100	Sherritt G.	13,800
Gt. Lakes Pap.	200	Silanco	1,000
Guayana	500	Silver Miller	4,500
Gulf Lead	9,200	Steep Rock	16,600
Hard Rock	1,000	Thompson-L.	3,000
Hollinger	500	United Steel	300
Home Oil	2,600	Ventures	300
Hosco	1,000	Waite Amulet	1,000
Howey	500	Walkers G. & W.	25
Hudson Bay	100	Winnipeg Elec.	775
Imperial Oil	1,500	TOTAL	549,622

TOWNSHIP OF ETOBICOKE, Ont. has sold $682,000 debentures due Nov. 30, 1949 to 1968 to Gairdner & Co. The 1-to-10-year maturities bear 3% interest and the 11-20-year maturities 3½%. Offering price will be par.

CANADIAN CANNERS LTD. exchanged an additional 345 convertible preferred shares for an equal number of common during October, reducing number of convertible preferred outstanding to 292,757 and increasing common to 200,173.

J. WURTELE RANKIN

Vice-president of Westmount Dairies, has been elected vice-president of the Canadian Association of Real Estate Boards.

Simpsons, Ltd. Sales Volume Still Rising

Sales of Simpsons, Ltd. for the year to date are running about 15% ahead of same period last year and represent the greatest dollar volume in the company's history. Total sales for 1948 should be around $148 millions ($128.7 millions in 1947).

As a result of greater volume and lower taxation, earnings are running moderately better than in 1947, when net income was equal to $4.51 a share on the combined class A and B shares. Costs of operation are at record levels, largest item being payroll, which rose by $2.8 millions in 1947 and is still rising. Margin of profit to sales this year is little changed from 1947 (2.92c per dollar sales).

Capital expenditures for the current year will approximate $2.5 millions. The new $300,000 warehouse at London, Ont., will be ready in February, and extensive alterations to the recently acquired mail order building in Vancouver will be completed around Feb. 15. Total cost of this work, including the building, exceeds $1 million. Addition to the Halifax mail order and retail store, costing $1 million, will be finished by the summer of 1949 with $300,000 of the total expenditure being charged to 1948 operations and the balance in 1949.

While purchasers today are more selective and are buying goods in the seasons in which they belong, the more liberal supply of merchandise, wider range and better quality are resulting in larger volume, it is said. Inventory is good, and every effort is being made for a record Christmas trade.

Calgary Power Has $18 Million Expansion Plan

MONTREAL (Staff)—An $18 million expansion program is being undertaken by Calgary Power Ltd., President G. A. Gaherty told The Financial Post this week. The expenditures will be made over a period of five years.

Main addition to generating capacity will be installation of a 62,000-hp unit for the Spray Lake development, probably late in 1951 or early 1952. Ultimate capacity of the site is approximately 90,000 hp, it is stated.

A large portion of the capital expenditures will go toward extension of the company's transmission and distribution lines to take care of increasing load requirements. Opening up of the Leduc oilfields has made necessary construction of lines to that area, and the company is also expanding into the Redwater field. Company serves approximately 150 communities in Alberta, including the Turner Valley oilfield.

Extra Dividend By Int. Paper

MONTREAL (Staff) — Shareholders of International Paper Co. received two pieces of good news this week. Most important from an immediate point of view, was the announcement of an extra dividend of $1 a share along with the regular quarterly payment of $1. Payable Dec. 15 this brings total dividend payments for the year to $5 a share ($4 in 1947 and $3 in 1946).

Earlier, President John H. Hinman had announced that the company would build a new dissolving woodpulp plant in United States. Location has not yet been determined but all plans and engineering have been completed. Construction is scheduled to be completed by 1950. Output from the new plant will consist of rayon grade pulp and other synthetic products, it is stated.

On the basis of the first six months, International Paper Co. earnings for the full year were at the rate of approximately $15.75 per share. Investment men expect that third quarter figures may indicate an annual earnings rate of $16 or more. It is pointed out that the $4 per ton price increase in newsprint which took effect Aug. 1 will be reflected in the third quarter statement. With newsprint capacity of approximately 721,000 tons annually, the newsprint price boost would mean another $400,000 or more gross to International in August and September, it is estimated.

Canad'n Celanese Production, Sales At High Levels

MONTREAL (Staff) — Although some reduction in output is threatened now because of probable power cuts in Quebec, production and sales of Canadian Celanese Ltd. have been at a high level thus far this year, The Financial Post is informed.

Company's new synthetic yarns and fabrics made for use in suitings, shirtings and upholstery have had an excellent reception, the company reports; and the new Sorel plant has not only increased its output, but prices of yarns have been reduced. Wage increases were granted employees this summer.

A special meeting of shareholders has been called for Dec. 9 to consider subdivision of the common stock on the basis of four new shares for each of the currently outstanding common shares. This would mean an increase from 310,409 to 1,241,636 common shares outstanding (from 750,000 to 3 million in authorized common).

Directors have declared a dividend of $1.75 per common share payable Dec. 31 to shareholders of record Dec. 8 bringing total payments this year to $4 a share. Regular quarterly payments have been made on the $1.75 and $1 preferred stocks.

Massey-Harris, US Loan Arranged

Massey-Harris Co., Racine, Wis., U.S. subsidiary of Massey-Harris Co., has arranged for a 20-year sinking fund loan of $10 millions at an interest rate of 3.625% a year through Lehman Brothers, Wood, Gundy & Co. and Emanuel, Deetjen & Co.

Purpose of the borrowing is to finance a substantially larger volume of business by retiring shorter-term funded indebtedness and augmenting working capital, it is stated.

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THE FINANCIAL POST, TORONTO

Butterfly Hosiery Dividend Higher?

MONTREAL (Staff)—Declaration of 15 cents per share extra dividend on the common stock of Butterfly Hosiery Co. reflects a continued high level of earnings, The Financial Post understands. It has been unofficially estimated that despite a seven-week strike earlier this year, earnings will equal or exceed those of 1947 when net profit of $204,263 represented earnings of $1.88 per share on the common stock.

Customers are still on a quota system, it is stated, but four new knitting machines have been installed.

Since declaration of the extra dividend payment, shareholders are wondering if the company may alter the dividend rate to 25 cents a quarter. It is believed unlikely that a new rate would be established, in any case, until the first or second quarter of 1949.

Gatineau Capacity Upped 85,000 h.p. Within 10 Years

MONTREAL (Staff) — A total of 85,000 hp will have been added within 10 years to the generating capacity of Gatineau Power Co. when the new 27,000-hp unit at Bryson, on the Ottawa River, is completed late next year, President G. Gordon Gale told The Financial Post this week.

In addition to the new Bryson unit now under construction, the company installed an additional 34,000 h.p. at the Chelsea plant in 1939 and 24,000 h.p. at the Farmers plant in 1947, as part of the Gatineau Valley developments. Cost of the generating equipment, extensions to transformer stations and distribution systems recently completed and still to be completed, totals about $8 millions.

In connection with the Bryson addition, a fourth power dam is being constructed on the Ottawa River for control purposes, Mr. Gale said.

BELL TELEPHONE CO. OF CAN. advises that a further 7,516 shares of capital stock have been registered under the employees' stock plan, making a total of 5,118,128 shares outstanding as of Oct. 28, 1948.

E. C. (TED) HIPGRAVE

who after seven years as Managing Director of Class "A" Weeklies of Canada, has joined Barbara Brent Inc., publishers of the Editorialized Advertising column BUYS and WHYS, as General Manager.

Mr. Hipgrave was for twelve years associated with one of Canada's leading advertising agencies.

He and Bert Smith, Vice-President, will be located in Toronto. *

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Incorporated

November 9, 1948.

Over 70% of Western Farm Land

is clear of mortgages and other indebtedness. With an estimated debt reduction of 16.4% last year, the 1947 figure was only 25% of that reported in 1937.

This situation presents a problem to holders of Western mortgages. Many have reduced their holdings to such an extent that adequate servicing presents a problem.

If this is YOUR situation, you can reduce your management costs by using our services of inspection, collection, and all duties in connection with your holdings of Western Farm Mortgages and Real Estate.

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63,533 Common Shares
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CAPITALIZATION

	Authorized	
Common Shares without nominal or par value	150,000	
Outstanding		86,467
To be issued (this offering)		63,533

The Company has applied for the listing of its Common Shares on The Toronto Stock Exchange.

We offer, as agents, these shares, when, as and if issued by Heaps, Waterous Limited, and subject to the approval of all legal details by Messrs. Davis, Hossie, Lett, Marshall and McLorg, Vancouver, B.C., as Counsel for the Company, and by our Counsel, Mr. William Zimmerman, K.C., Toronto.

These shares are offered for sale by us as an industrial speculation.
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They Are Being Used

The classic formula for identifying Communists, fellow travelers and Red sympathizers, goes like this:

"When you see a bird that walks like a duck, quacks like a duck, looks like a duck and hangs around with other ducks you say, 'There is a duck!'"

Last Sunday night in Toronto, the Dean of Canterbury and a lot of other people who say they're not Communists, gathered in Massey Hall to open the new Communist Peace Program.

Many of these people may not be Communists or have Communist sympathies, but they most certainly come under the "hang around other ducks" category. For some of the sponsors of the "Red" Dean's current tour are known Communists or Communist sympathizers. And they were all out in full force on the Massey Hall platform, "peace-fronting" for the Dean.

This is the newest wrinkle in the Communist bag of tricks. The idea is to soften us up, keep us weak so that if the worst comes to the worst, we won't have a defensive leg to stand on.

The Red Dean is letting himself be used as the front man for the Canadian campaign. His campaign manager is the former United Church missionary in China, Rev. J. G. Endicott.

A tour of Canada is planned under the auspices of so-called Peace Councils.

Some 3,000 gullible people thronged Toronto's Massey Hall and another 3,000 couldn't get in. At Hamilton previously the same sort of overflow attendance was reported. What they heard was a lot of one-sided pro-Soviet nonsense, with Russia's every move described as innocent and peaceful. Here are some samples culled from these first two performances and a press conference of the visiting Dean:

"Russia does not want war. The threat of war actually comes from the Western powers . . . Russia is right in Berlin . . . There is no Iron Curtain . . . Russia is not afraid of the atom bomb, is interested in it for industrial uses only, not for war purposes."

Playing on the average person's fear of war, the Red Dean tried to toss a hefty scare into his listeners: ". . . Only Russia and China, because of their size are invulnerable . . . We'd have to fight the whole 100 million people in East Europe . . . Who wants a war like this? . . . The next war will be the most prolonged and bloody war in all history."

The reverend gentleman even had an answer for Russia's invasion of Czechoslovakia, Poland and the other Soviet satellites. He called it "penetration of an idea." What's more, they were better off for it, he insisted. When he was there he saw "great voluntary labor works for the love of their country. Is this a bad invasion? If that's an invasion, I wish they'd invade us."

What kind of fuzzy-wuzzy nonsense is this? We recognize the Dean's right or anyone else's to say what he thinks (he wouldn't have it in Russia if it conflicted with Stalin). But let's remember whose side these pro-Russians are on.

This Program for Peace is nothing but another Communist front. There may be some starry-eyed liberals in front but behind them are the Reds, pulling the strings. Canadians who want to preserve our kind of democracy need to be on guard as never before against this insidious propaganda.

In Spite of the Laughter

Laughter about the opinion pollsters who guessed so wrongly on the U. S. election result ripples throughout the land.

But business and other institutions have made a big investment in the service and findings of public opinion polls, and before leaping to the conclusion that the polls are a phony, sales and other planners will be wise to take a close look.

First, let it be remembered that the main reason opinion poll organizations make election forecasts is to check their sample, i.e., to find out if, in their commercial (profit seeking) work they are asking the right kind of people in the right places in the right proportion.

A pollster, for instance, can think he has given you an accurate report as to what people think of your soap or your trucks. But in an election when great masses of people vote the pollster gets dramatic and clear-cut proof of how his system is batting.

And even in elections the pollster has one trouble: All he can forecast is how people would vote—if they vote.

We find that Gallup, for instance, in the past 12 years has pre-examined 403 election results in 11 countries. The average error over the period was 3.9%, and in recent years the error has been lower.

In last week's U. S. election, the Gallup forecast differed from the popular vote result for Truman by 5.5%; for Dewey it was off 3.7%.

A sober look at this business seems to suggest that the face of Gallup, for instance, is red not because anything went wrong with the system but because the Gallup people caught the popular contagion of confidence in a Dewey victory.

Their final and unhedged prediction the day before the election was that Dewey would win with 49½% against 44½% for Truman.

Yet most of the pollsters for years have been saying that their system works only within a 4% margin of error.

With a last-minute forecast showing Truman behind only 5%, those familiar with the 4% margin of error got a tip-off that an upset was possible and that any forecast at all would be extremely hazardous.

Current laughter to the contrary, we don't think the election affair in any way reduces the value of the proper commercial use of scientific polling. But users of polls can profit from this comic incident. Read the figures. Don't try to read into them what you think—or hope—they will tell you.

Banks are Popular

The extent to which Canada's ten banks have become the guardians of citizens' savings and bookkeepers for the nation is reflected in the annual report to the Canadian Bankers' Association by its president Robert Rae, vice-president and general manager of the Dominion Bank.

In the 3,385 bank branches, customers maintain 7.2 million accounts with deposits of $6.2 billions, not including government funds. Of this total, over $4 billions is in individual savings accounts.

"We are bookkeepers for all our customers," said Mr. Rae. "We can illustrate our service best perhaps by the records of debits to individual bank accounts. The total of such debits runs in the neighborhood of $6.5 billions a month. The whole volume of deposits by the public is thus turning over at the rate of once a month."

In the past 10 years, the attitude of the general public towards our banking system has greatly improved and criticism has largely disappeared. There can be little doubt that this is because far more people are using the banks (through Victory bonds, family allowance cheques) and the banks have improved their service to small depositors.

Outlawed at Last

"Wash sales" on Canadian security markets whether accompanied by conspiracy or not, are now illegal. The necessary amendments to the Criminal Code came into force on the first of this month. This is a step emphatically in the right direction though long and needlessly delayed by jurisdictional confusion and what looks like lack of courage on the part of authorities.

"Wash sale" is the term applied to a stock transaction where the buyer and seller is in effect the same person. Such dealing could be used, and on certain occasions has undoubtedly been used, to create a false impression of trading activity and public interest in any stock. An innocent spectator seeing what he thinks are a lot of legitimate transactions in a certain stock, may decide that this is a good time to get into the market and he does so perhaps to his sorrow.

In the United States "wash sales" have long been regarded as artificial manipulation and are illegal. It was with shocked surprise that many American investors in Canadian stocks learned that there was not simliar protection here. As a result the reputation of Canadian securities, and especially Ontario mining stocks, has suffered seriously in the United States.

How we could expect to increase vitally needed American investment in Canada so long as fictitious dealing was permitted, is difficult to imagine. If we hope to develop the resources of this country and to attract the vast amounts of risk capital that will be necessary for that development, then we will have to be everlastingly on our guard to prevent anything that even has a faint suggestion of racketeering.

Most Hazardous Industry

Certainly no other major industry in Canada, and mighty few of the lesser ones face the weather hazard that agriculture must take in its stride.

Just six months ago the three Prairie provinces were literally waterlogged. Rain fell almost continuously and great areas along the rivers were flooded.

But at last the sun shone, the weather turned warmer but fortunately not too warm and in most sections with the aid of modern machinery the farmer got his crops sown and even a harvest that measured up close to average.

Now the situation has changed and over 60 million acres of rich prairie soil hangs the shadow of drought. Six months ago the farmer wondered whether the rains would ever cease, now he wonders whether they will ever start again.

Common Sense and Crime

In its current report on penal reform, the Citizens Research Institute of Canada maintains that reforms in penal treatment now require not so much the spending of large amounts of money but rather the application of more common sense and sound social policy.

This viewpoint, expressed by R. C. Berkinshaw, president of the Institute and one of Canada's leading industrialists, is sound common sense in itself.

Despite several recent crimes of violence which have been in the news, figures show that such crimes have passed the usual postwar peak and juvenile delinquency is on a steady decline.

Citizens Research Institute makes several recommendations to deal more effectively with offenders and to reduce the rate of crime: more emphasis on rehabilitation by prison authorities and the public, more emphasis in schools on background and value of law and the guardian role of law enforcement officers.

Also recommended, in certain reformable or pre-delinquent cases, is the fine by time-payment as a better and less costly method of punishment than a short prison term where offenders cannot pay a sizeable fine at once.

But Mr. Berkinshaw believes the extension of a good probation system should take priority among government measures to reduce the cost and incidence of crime. Provincial and municipal authorities are jointly responsible for instituting and carrying on this service, but six provinces have yet to pass legislation which would permit the probation system to operate. Probation service can be given for about $30 a year, as against detention costs of about $1,500 per inmate.

Crime is one of Canada's costliest injuries and hindrances. It needs a well-founded and penetrating attack. The penal reform studies made by the Citizens Research Institute give strong support to this attack.

No Shaving Before Nine

A Toronto barber was fined $25 the other day because he shaved a man before the legal hour of 9 a.m. One wonders what our grandfathers would have thought of a law which forbids barbers to open for business until half the morning is gone. If man hasn't got rid of his accumulation of whiskers by nine o'clock, he might about as well leave them on for the rest of the day.

Undoubtedly many retail sales hours were unnecessarily long in the old days, but certainly it is possible to err just as seriously in the other direction. To the man who must be at his office desk at nine, the barber shop that does not open before that, is not much use. And barber shop hours are not the only ones being restricted. Motor service stations are closed early and tightly in many communities as tourists, Sunday or late evening drivers have discovered to their annoyance. Even the corner drugstore, where one used to be able to buy almost anything on a Sunday, has not escaped.

Probably with some planners one can accommodate himself to these changes without too great hardship, but not if the restrictions are carried much further. After all we are supposed to be living in a free country and extreme regulations of this kind do not fit into that sort of picture.

Napier Moore's Scratch Pad

BLAIR FRASER, Ottawa editor of Maclean's Magazine, covered the wind-up of the U. S. presidential campaign. Returning via Toronto he told us this one. In New York, as part of his study of Dewey, he attended a dinner given in aid of the Alfred E. Smith Memorial Foundation at which the Governor, General Lucius Clay and Cardinal Spellman were to speak. The dinner was held in the Waldorf-Astoria ballroom. To save space for guests who paid $100 a plate, the pressmen, who dined free, were accommodated in another room. First thing Fraser observed was, at one end of the room, a complete replica of part of the ballroom's head table — with places set, flowers, microphones, everything.

It was explained that because newsreel and press cameramen can cause such commotion, they were to do their stuff at a "preview." And it was so. During the dinner, the Cardinal, the Governor and the General were whisked from the head table in the ballroom to the stage set. The movie sound men handed them the passages from their prepared speeches which they wanted to record. Then Governor Dewey arose at the mike and the newsreel cameras and dozens of press photographers went into action, shouting commands as "Applaud, Cardinal." When what Blair Fraser described as a bedlam was over, the guests of honor returned to the ballroom to make speeches which already were recorded for the nation's movie screens.

* * *

LAST WEEK'S Scratch Pad went to the printer before the result of the U. S. election was known. So for days we have been panting to tell you that we can be included in the small group of people who weren't positive that the next president would be Thomas E. Dewey.

We aren't being smug about it. We had no inside information, possess no clairvoyant power, haven't a ouija board. We simply go on the basis that it never is wise to take anything for granted. We learned that lesson many years ago when we were a reporter on the Montreal Daily Mail.

It was during World War I. The then Prime Minister, Sir Robert Borden, was to address a mass meeting on the McGill campus. He arrived in the afternoon, and his secretary issued to the press the text of the speech he would deliver that night. We took the copy to the Mail office, turned it over to the city desk so that the compositors could start setting it in type at six o'clock.

At night, in company with another reporter, we went to the meeting, sat through the preliminaries, wrote a lead describing the event and handed it to a messenger for delivery to the office. Sir Robert got up to speak. Then it was that Satan, assuming the shape of our reportorial colleague, undid us. He suggested that as the speech was already in type, and as Sir Robert would take more than an hour to deliver it, we could slip away and play billiards. We were tempted. We fell.

Next morning the paper appeared with the text of a speech Sir Robert did not make. At any rate he used very little of it. For, while on the platform he had been handed a message concerning the war situation which led him to change whole chunks of his text as he spoke.

We were deservedly fired by Alec Dewar, the news editor, and while we were rehired the day after, we never have forgotten the incident. To this day, if anybody tells us that tomorrow will be Friday we wait until Friday dawns before accepting the statement.

* * *

THE BANK OF MONTREAL has been celebrating the 100th anniversary of its head office building on St. James Street, and a graceful, stately building it is. Its Corinthian columns and classic facade mellowed by time, it has stood solidly and calmly as a century's history has been unfolded on the Place d'Armes before it.

It has had its lighter moments, too. The Montreal Gazette records the exploit of Lord Mark Ker, a young officer on the staff of Lord Elgin, Governor-General at that time, who, it is said, rode his horse up the bank's steps, proceeded into the banking chamber and cashed a draft without dismounting.

What distresses us is the thought of any cavalry officer turning his charger into a draft horse.

But that Lord Ker must have been quite a lad. The Gazette relates a further anecdote to the effect that on meeting Queen Victoria he "told the most impressive personage of the century that her face was familiar but he could not recall her name."

* * *

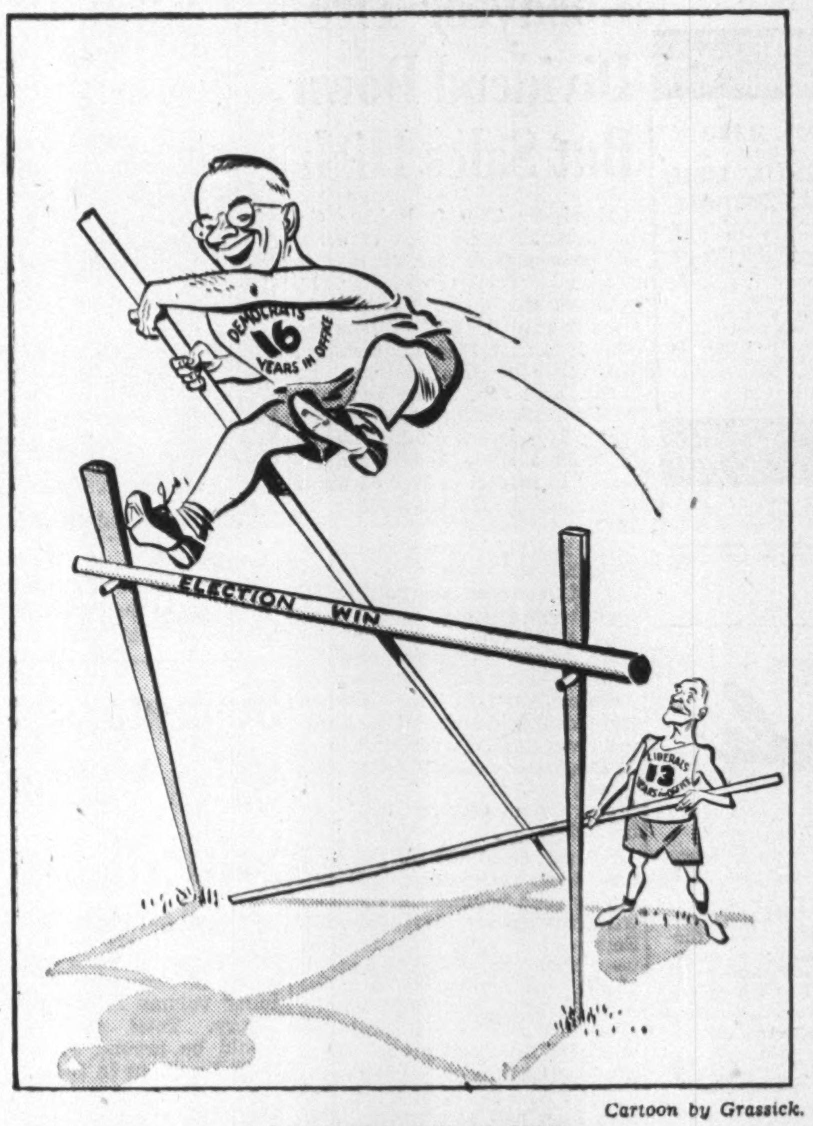
PUBLISHERS McClelland and Stewart solemnly inform us that in a new printing order the American publishers of Stefan Heym's best seller, The Crusaders, the novel will be one word shorter than the first edition. At the request of The Celanese Corporation of America the word "Celanese" has been omitted from page 289 because it is a registered trademark and not a generic term as it was originally used in the novel. There is no connection between Celanese and the Dupont family or the Dupont Company, as the book implied.

See how careful writers must be?

Stop Me If —

The New York Stock Exchange firm of Glugg & McBottle has announced a new service to investors in connection with its purchase of a 20-story building in the heart of the financial district.

"In our new building, an investor can place his Buy orders in our basement, then take the elevator to our penthouse and give his order to Sell, thus always being sure he will buy at the bottom and sell at the top," a partner of the firm stated.



Cartoon by Grassick.

IS THE NEXT ONE AS SPRY?

Post Scripts

Head Seedsman

Both the Canadian Seed Trade Association and its new president celebrated a 25th anniversary last month. The association was formed in Ottawa in 1923 and that same year W. H. Perron, its new head, started his first job in the seed business. Young Perron had just graduated from Macdonald College and entered a Montreal seed firm.

MR. PERRON

Of French ancestry, fair and medium height and build, Wilfrid Henri Perron hails from Arthabaska County, about 100 miles east of Montreal. His father was a farmer and all but two of his 13 brothers (he also had five sisters) took up that same occupation.

Following local school he went to Pointe-aux-Trembles College. After a period overseas in the First War with the Montreal 79th Battery he attended Macdonald College and got his agricultural science degree from McGill.

Having specialized in horticulture and won a scholarship for further studies abroad, Perron decided to pick up a little practical knowledge. So in the fall of 1923 he got a job with a local seed house for a few years, before going to Europe and the St. Mande Horticultural School in Paris to specialize in landscape gardening.

Coming back to Canada he founded his own seed firm, W. H. Perron & Co. in Montreal in 1929. The growth of the firm has been steady, with over a million dollars turnover last year.

Perron's main hobby might be classed as a something of a busman's holiday. He experiments with plants and seeds, tries to locate and originate new and hardier strains for Canada's rugged climate.

Many a flower and vegetable has been first introduced to this country via the Perron nurseries outside of Montreal or the Perron summer home at St. Gabriel de Brandon.

Married in 1927, the Perrons have four children, three boys and a girl. Like his father the oldest son, Henri Wilfrid, is studying agriculture at Macdonald, the daughter Jeannine is a student at the Royal Conservatory of Music, Toronto, and the two younger boys Camille and Yives are students at Stanstead College and Lower Canada respectively.

* * *

He Attracts Tourists

The man who's just been elected president of the Canadian Association of Tourist and Publicity Bureaus got into the visitor industry by financial accident, rather than by design.

George Martin will tell you he had no idea of becoming a resort operator when, in 1922, he bought two $100 shares in an idealistic venture.

The idea was that there should be built on an island in Ontario's Muskoka Lakes district a religious-centred cultural resort patterned after the famed Chautauqua in New York State.

A Canadian Chautauqua was born, and Martin became involved in its troubles. Newly embarked on a career as an advertising agency executive, after spending some years in newspaper reporting, he was invited to become one of the institution's directors. Later a $15,000 loan was secured, and, as time rolled by without fetching in the anticipated revenue, the bankers were becoming insistent about repayment. Things were looking blackest for the project in the fall of 1932 when Martin bought out the faltering resort at a modest sum and began to operate it as a private enterprise.

For idealism mixed with poor management, Martin substituted the sales and marketing formulas he had been accustomed to prescribing for his agency's clients. First step was to get a panel of 200 persons to say what the institution needed for private operation—the name should be changed; the new name should be Indian in origin; it should be pronounceable. Next a list of Indian names was secured, and 100 persons voted to decide which was best. Eighty per cent said "Wigwassan," so that's what it is. The name is Algonquin for silver birches.

Since he got into the tourist industry, Martin has been spending a good deal of time working in various associations. Fifteen years ago he was one of those instrumental in forming the Muskoka Tourist Development Association, and he's been its president for the past two years.

About eight years ago he was in on the formation of the tourist resorts division of the Hotel Association of Ontario. It was just four years ago he attended his first CATPB meeting, but they got him to work quickly. He also lectures in the institutional management course at the University of Toronto.

When all this is added up, it's hard to realize that Martin is still an advertising agency executive, though he admits that the tourist industry snatches more of his time. He's been secretary-treasurer of the James Fisher Co. continuously since 1924, and more recently he's added the title of vice-president as well.

Both he and his wife are former Toronto newspaper folk. Beginning his journalistic career on the Kitchener (Ont.) Telegraph (his birthplace Hespeler is nearby), he successfully toured nine or ten Ontario dailies.

He covered the Provincial Parliament Buildings for the Toronto Globe during the Drury and Ferguson regimes, and in 1920 was sent to Ottawa as sessional correspondent.

He was also editor of the Kitchener Telegraph and of the Oshawa Reformer, leaving the latter post to become the first manager of the Canadian Association of Advertising Agencies. His wife was on the Evening Telegram, a sister of its managing editor, C. H. J. Snider.

Hobbies? Martin says tourism is his hobby now. The Quebec convention which elected him made sure it will be an active one.

* * *

The Bells Come Back

Seventy years ago this winter the people of Montreal presented the new Governor-General, the Marquis of Lorne, with a fine set of silvery sleigh bells. It was a most useful as well as ornamental gift in those days, the bells serving to warn pedestrians and drivers that a fast-moving but otherwise silent horse-driven sleigh was approaching.

Recently, among some other mementos, the set of bells was discovered in Kensington Palace by Sir Ralph Glyn, M.P. He suggested that they be returned to Canada and placed in a museum. But around Ottawa where the snow still lies deeply in city streets despite the best efforts of the municipal authorities in Canada's capital, neither horses nor sleigh bells are yet regarded as obsolete.

The present Governor-General heard about the move and put in a counterclaim. Viscount Alexander wrote to London stating that he could find a use for the bells around Rideau Hall.

Comments the Montreal Gazette: "It was a fortunate decision. For sleigh bells, of all things, would be most out-of-place in a museum. They do not belong to the stale air of closed glass cases, but to the keen air of winter. It is to be hoped that they may ring out once again over the snow at Rideau Hall, as they used to do in the Canadian winters of 70 years ago."

What Others Are Saying

Editorial of the Week

Dubious Modern Profits

Fort Erie (Ont.) Times Review

A good many businesses and industries are confusing themselves with the belief that the increased value of inventories represent a profit.

The sober matter of fact is that profits in the increased value of goods exist only when those goods can be replaced at a lower figure.

Certainly the general public is getting a very erroneous impression. They have a picture of the merchant, selling his goods at these high prices and pocketing a pleasant and substantial profit.

But again these prices would be profit only if the merchant should go out of business immediately.

Perhaps both business and industry, in trying to make a pleasant picture of success, have been partially responsible for our delusion that fabulous profits are being made. In the year 1947 corporation profits in the United States were $17 billions.

Five billions of that total represented increased value of inventories that couldn't be distributed. Two billions represented the amount that must be added to depreciation allowances to give them normal protection. What remained was a profit that was somewhat less than that enjoyed in 1940.

Other People's Views

THERE IS NO EASY PLAN, says the **Montreal Gazette**, for making Russia back down. "Its cost may well be nearly equal to the cost of war. It will then be cheaper only because it will not need a reckoning in the intangibles of tears and blood."

ONE OF THE MOST SATISFACTORY results of the U. S. election, says the **Winnipeg Free Press**, "is the firm establishment of one party's control of the whole apparatus of government without which vigorous leadership and durable policies are impossible. The U. S. has achieved, after a lapse of two years, a structure of Government adequate to cope with the tasks before it."

IF PEOPLE BECOME CONVINCED, believes the **Montreal Star**, "that private enterprise is an efficient machine that is as busy correcting its own faults and abuses as it is in providing the highest standard of living in the world, they are not going to fall for leftist propaganda. The thing to do is to enforce good standards and provide the proof."

CANADIANS HAVE NO RIGHT to suggest that the re-election of President Truman was either a good or bad thing for the people of the United States, points out the **Calgary Herald**. "We can say, however, that it was a good thing for the people of Canada. The Democrats have generally shown themselves inclined to reduce tariffs: the Republicans have generally shown themselves inclined to raise them. Since Canada must now sell more goods to the United States than ever before, the election of a Republican regime would have caused some well-founded anxiety in this country."

DURING THE PAST 35 YEARS, points out the **Sherbrooke (Que.) Record**, "the average cost of a dwelling has increased 193%, while, during the same period, the average cost of an automobile has increased 60%. The reason for this discrepancy is readily apparent. The technique, the scientific organization and mass production which gave birth to the great, modern automobile industry have not as yet transformed the construction trade."

THE STEEL INDUSTRY will watch and wait with keen anticipation, comments the **Saint John Times-Globe** on news from Montreal of a revolutionary new method of fast steel making. "But until it learns more about the new method, and sees the idea in use, it is naturally wary of becoming over-enthusiastic, for too many loudly hailed 'advances' in industrial technology in past years have turned out, like numerous so-called wonder drugs, to be hardly everything that was originally claimed."

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Member Audit Bureau of Circulations
Member Business Newspapers Association of Canada

A weekly newspaper presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

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Nov. 13, 1948

South Africa 'Austerity' Ban Challenges Canada's Trade

OTTAWA (Staff)—The post-war bonanza of Canada's $70 million South African market came to an end last week, with announcement of drastic import control restrictions imposed by that country to conserve her dollars.

The ban had three essential features:

1. A specific list of luxury and non-essential goods, which are completely banned from all countries.

(A rough calculation by The Financial Post indicates that Canadian exports totaling about $4 millions annually are affected by this ban, of which the most important item is canned salmon.)

2. A new 50% hard currency exchange quota for the period July 1, 1948 to June 30, 1949.

3. A special condition indicating the Government's intention not to restrict hard exchange required for agricultural, mining and secondary industries, now temporarily subject to the 50% limitation.

Quota Transferable

Until more is known about the Government's intention towards farm, mining and manufacturing requirements, it is not possible to assess the impact of the restrictions on Canada.

Another important unknown is that under the South African plan an importer is to be allowed hard currency exchange up to 50% of his total imports from non-sterling countries in the calendar year 1947, and is permitted to spend this money on any product or in any country he wishes.

This means there are no general groupings such as featured Canada's exchange restriction plan. If a South African importer who had been buying steel rails, wants to use his dollar for whisky or stockings, he is free to do so.

Thus the ultimate test for Canada may turn out to be the relative profitability of buying in Canada, as opposed to buying in the United States or other dollar area. If Canada's prices or supply position prove superior in any one product, our loss of business may not be as great as the 50% over-all cutback in exchange.

Only half of the annual quota which is to be available in the period July 1, 1948 to June 30, 1949, will be available up to the end of December. This means that the cutback is in effect retroactive to last July, and henceforth will be available in quarterly allocations. However, banks may continue to negotiate bills until Nov. 30, in respect of goods ordered before Nov. 5, and shipped before Nov. 30.

See Total Cut 25%

According to early advices from S. V. Allen, Commercial Secretary for Canada at Johannesburg, the over-all reduction is expected to amount to about 25% of 1948 imports, although the impact on many items, especially consumer goods, will be much heavier. It is expected that the tendency will be for importers to use quotas only for goods not obtainable from soft currency areas.

In the nine months ending with September, Canadian exports to South Africa have totaled $56.4 millions against $53 millions in the same period in 1947. Total Canadian exports in 1947 (the base year for purposes of the new restrictions) were $67 millions.

Key items in Canadian exports to South Africa in 1947 are:

CHIEF EXPORTS FROM CANADA TO SOUTH AFRICA, 1947
(Millions of dollars)

Canned fruit, preserves	.9	Farm impl.	2.3
Confect., etc.	1.5	Other mach.	1.5
Rubber & manuf.	7.3	Trucks	4.6
Canned fish	2.9	Pass. cars	7.3
Leather	1.4	Auto parts	3.2
Milk prepar.	.4	Other, iron, stl.	3.5
Clothing	4.0	Elec. appliance.	2.8
Other textiles	2.6	Aluminum	.4
Planks, boards.	9.7	Fertilizer	1.1
Oth. wood prod.	2.1	Mineral wax	.4
Newsprint	3.2	Paints, varnish.	.5
Oth. p. & p. products	3.6	Oth. chemicals.	.9
		Containers	1.1
		Sport goods, etc.	.5
		Home equip.	.4

Oil Equipment Plants Expand

(Continued from page 1)

erection of a plant to make corrugated steel sewer pipe and other equipment.

National Tank Co., Tulsa, Okla., block of land, for erection of tank manufacturing plant; warehouse construction already started.

Champion & Smith Inc., Los Angeles, purchased a block of land as location for oil well equipment distributing point.

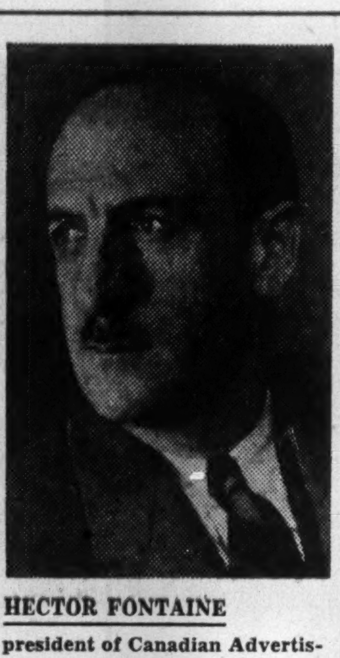
Oil Well Equipment Co. leased four city lots for oil-well supply distributing business.

Commonwealth Drilling Co. has bought a block of land and already erected several buildings.

Canadian Oil Cos. erecting a building and tanks on 10 city lots.

United Geophysical Co., San Francisco, and Heiland Exploration Company have established offices here.

Dowell Inc., subsidiary of Dowell Chemical Co., is reported to have taken out a construction permit for a $25,000 chemical storage plant. The company will handle muriatic acid, used in acidization of oil wells, and other specialty materials and equipment.



HECTOR FONTAINE

president of Canadian Advertising Agency Ltd., has been elected vice-president of the Canadian Association of Advertising Agencies.

Power Shortage May Force Four-Day Week in Ontario

(Continued from page 1)

are encountering impossible demands from labor. While nearly all AFL-TLC unions are willing to co-operate the majority of CIO-CCL unions have refused to work night or weekend shifts unless given premium pay and bonuses.

Notable exception is the United Steelworkers, 1,000 of whose members employed in four Toronto plants, have agreed to waive extra pay for weekend work. Among unions standing out against weekend work are the United Electrical Workers, United Auto Workers, and Rubber Workers.

Women workers also present a labor problem. Employers are not finding it easy to persuade them to change to night or weekend shifts; in the case of industries largely dependent on female help the proposal is all but entirely ruled out.

Can industry be forced to switch shifts?

Not by Ontario Hydro, according to officials there who state that any such move must come from the Provincial or Federal Government.

In wartime the Federal Government had such authority in respect of power use but it was never found necessary by the Power Controller to enforce this authority.

At present it's estimated that about 20% of Ontario plants have switched shifts to conserve power.

Meanwhile industry generally considers it is playing its part well, is now being called on to make up for lack of co-operation on the part of domestic and commercial users.

Several manufacturing industries have in fact asked for a rearrangement of cutoff times. They point out that an afternoon cut coming soon after the morning cut is causing a serious break in production.

They would like to get the cut all at once. Hydro officials, however, consider that any cut longer than one hour (save in absolute emergency) might be dangerous in many ways (i.e. food spoilage in refrigerators, too much loss of heat in electrically-operated heating systems).

How can night and week end shifts help the situation?

Present problem is the concentration of power demand in the normal daily working periods. Although water can be stored, power itself cannot be stored, so the problem is to shift the load from such peak periods as 5-6 pm Monday-Friday to low-demand periods such as 11 pm to 7 am when not all the power that can be generated is being called on.

In considering shift-switching it is emphasized that there is presently a surplus of power between 11pm and 7 am every night, still a surplus on Sunday, but not nearly so much as available for additional Saturday shifts.

What Hydro would like to see is a staggering of industry throughout the week so to lower peak demand periods, boost low-demand periods. Such a plan could afford industry an uninterrupted four days of production a week under present conditions.

What's the situation elsewhere?

The situation is not peculiar to Ontario. Roughly one third of United States, including the big industrial areas such as Chicago, Detroit, Cleveland, Pittsburgh are operating under conditions of reduced supply.

And unless there are heavy rainfalls between now and freeze-up a shortage will hit many Quebec areas. Turbine capacity in that province is sufficient to handle all requirements but water levels are extremely low as a result of a year and a half of inadequate rainfall.

Here's what some of the major producers reported to The Financial Post:

Shawinigan Water and Power Co. will institute a 10% cut November 15. Southern Canada Power Co. has authorized reduction of deliveries to 80% of normal. Quebec Hydro "has no power to waste."

Gatineau Power Co. has already curtailed deliveries to Ontario Hydro and other customers. Northern Quebec Power Co. has cut supplies by 10% to 10 producing mines as well as Rouyn, Noranda and surrounding communities.

Here's how it was done in the U. S. last December. The following figures (put out by the U. S. Federal Power Commission) tell a significant story.

Of load reductions totaling 600,000 kw, more than 380,000 kw (or 63% of total saving) was effected by dropping "interruptibles" (i.e. plants taking power at reduced rate in exchange for ceding to the power company the right to cut them off had the switches pulled on them).

Less than 8% saving was effected by voluntary consumer curtailment.

And less than 8% saving was effected by customers shifting to off-peak periods.

A saving of 20% was effected by voltage reductions (voltage cannot, however, be reduced by more than 10% without damaging equipment).

Arms Pool in Making Between Canada and U. S.

(Continued from page 1)

Washington in mid-November irrespective of the outcome of the U. S. election. His agenda will undoubtedly include a wide range of Canada-U. S. problems, including those already mentioned, plus ECA, dollar controls, import restrictions, steel imports, etc.)

May Get U. S. Orders

If Mr. Howe is at all successful in his mission, it is expected that one result will be substantial Canadian orders for 1949, of various items such as small vessels, planes or plane parts and small arms, guns or ammunitions.

It will be argued that to place substantial orders for Canadian requirements alone would be uneconomical. Also, that in advance of a Canadian-sponsored defense speed-up, it is highly desirable to achieve the largest possible measure of reciprocity and co-ordination.

One report reaching here a few days ago and not denied by responsible officials is that the RCAF and U. S. Fairchild interests are already dickering on Canadian production of the Fairchild C-82 packet transport.

Another important U. S. plane connection is the tie-in with Douglas through the Canadair plant at Montreal, now owned by Electric Boat of New York. This plant is presently making the Canadair Four on order from TCA, the RCAF and BOAC.

Canadian Car and Foundry at St. Laurent, Que., has a license arrangement with North American Aviation to repair and overhaul RCAF Harvard trainers.

Ottawa recently let contracts for $10 millions for overhaul and modification of 200 aircraft.

The main defense operation in the Canadian aircraft industry is the production of a two-seater, night fighter jet plane at the Avro plant at Malton.

There is considerable spare capacity at the DeHavilland plant at Malton.

Interchange of Designs

Traditionally Canadian armed forces have used British design and types for equipment and weapons. This practice was modified considerably during World War II. Towards the end of that conflict we were turning to U. S. for major pieces of equipment.

Since that time there has been increasing interchange and co-ordination between Canada and the United States. This interchange has been only temporarily interrupted by the U. S. weapons transfer embargo of last June.

But today, with Canada facing a new and substantial rearmament program in 1949, some basic and far-reaching decisions must be made as to what types of equipment are to be purchased.

Canada cannot attempt to build tanks and anti-aircraft weapons herself. If we are to have any of these for use in training or in defense during a "cold war" period, these can only be procured from the U. S.

At the same time, though Canada might wish to standardize with the United States and order similar equipment for use in a co-ordinated North American defense plan, our supply of U. S. dollars is such that we could not normally afford this "luxury."

This is where the need for some co-ordinated Canada-U. S. program for production and exchange of equipment arises. (A need that is assured as completely solvable in the event of an emergency arising.)

Back to wartime arrangements?

During World War II, we solved this problem around the underlying arrangement which stemmed from the Hyde Park agreement. We produced weapons for U. S., Britain and other Allied powers, and purchased necessary materials, equipment, supplies, etc., in the U. S.

And the United States ensured that sufficient purchases would be made in Canada to provide us with the necessary dollars.

There are a number of things which Canada could now make either for European need or for the U. S. services themselves. One case would be certain U. S. aircraft parts or spares.

We have excess capacity in Canada, capable of producing first-class aircraft parts. An arrangement whereby we produced these in Canada would strengthen the industrial potential of North America by keeping these skills and machines in operation. It would ease the present pressure of rearmament in the United States. It would provide Canada with the necessary dollars to purchase needed tanks, guns, etc., which could be more economically produced in the United States.

One vital requirement to any such proposal would be the available supply of steel. Unless some arrangement can be made to spread the available supply of steel in North America so that Canada would be enabled to assume these new responsibilities, much of the over-all planning might be of little practical use.

Building Reflects Edmonton's Boom

EDMONTON—In the first 10 months of 1948 building permits in Edmonton have totaled $22.8 millions or double that for the 1947 period.

In this year's building boom, 2,062 permits for dwellings have contributed $12.5 millions to the 10-month total.

Average house built in Edmonton this year costs $6,095 according to a classified statement of 1948 building permits. One year ago the average house cost $4,888.

Eric Gold, Ottawa, secretary of Central Mortgage & Housing Corp., and Angus McClaskey, Winnipeg, supervisor of the prairie region for the corporation, disclosed that Edmonton citizens have borrowed about $6 million in NHA loans during the first nine months of this year. Last year NHA loans in the district totaled about $2.8 millions.

These Certificates having been sold, this advertisement appears for record purposes only

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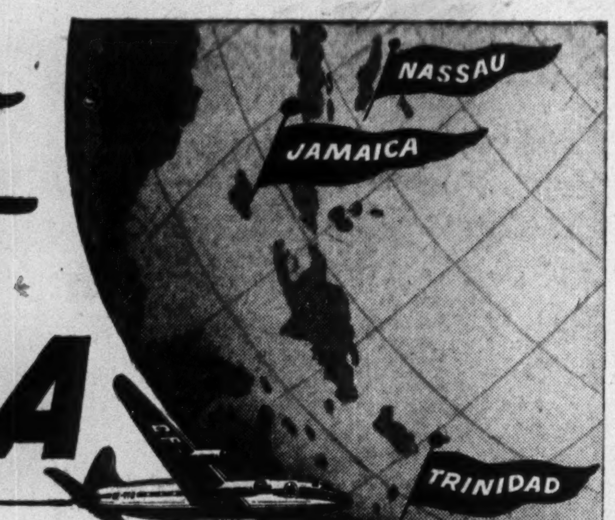

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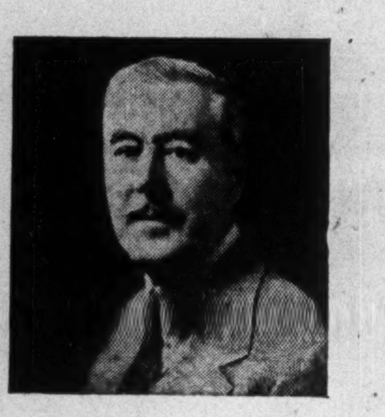

or ☐ *Sr. Pedro M. Obuljen, Santiago, Chile?* He is a civil engineer; President of Ferriloza S.A. (porcelain enameled ware) and of Industrias Mecanica y Metalurgica Reunidas—IMMAR—S.A. (mechanical shop and foundry); Partner of Indamar Ltda. (electric steel castings).

Successful businessmen today have an *international* look, just as they have a global outlook on politics and a common stake in world economic recovery. It's hard to tell them apart, they have so many habits of dress and manner in common.

With many such men (like these four*) still another common bond is their *source* of news and information. To keep themselves accurately informed, they and many others like them also share the habit of reading TIME, the world's Weekly Newsmagazine.

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LABOR ROUNDUP

Labor Rang the Doorbells For U. S. Election Upset

By RONALD WILLIAMS

Two significant factors stood out this week as United States held a political post mortem on the electoral demise of Gov. Dewey:

1. Labor's political action campaign was one of the chief factors in President Truman's victory.
2. Labor was in politics for keeps.

U. S. labor's campaign, ignored or overlooked by the red-faced experts, was a duplicate of the CCL's campaign in the last Ontario election when they captured a majority of the Toronto seats.

To help put Truman in and kick the Taft-Hartley Act out, U. S. labor spent $2 millions. The CIO had 2,500 organizers on the job. The AFL almost as many.

In urban areas where they knew their effect would be greatest, they canvassed house to house. First they tried to convince voters to support Truman. Then on election day they got out the vote. In Chicago alone the CIO had 6,000 people out ringing doorbells.

CIO President Phillip Murray did his bit on a coast-to-coast network. The CIO paid for the time. The AFL's Political Action director crossed and recrossed the country six times, whipping the AFL campaign into shape.

The result, labor claimed, demonstrated union's political power. Of 54 Republicans defeated, 51 had supported the T-H Act. The AFL had vowed to get them for it. The implication in this for future political developments here and in the U. S. was making many stop and think.

But the other highlight of the stunning upset was perhaps more significant. Jubilant over Truman's win, George Meany, one of the AFL's top brass, had this to say: ". . . labor's political arm is here to stay. We knocked off Taft-Hartley congressmen so fast we couldn't count them. It was the first time labor was really organized down to the precinct level. We really got out the vote."

Coming from Meany, this was important. It meant that the AFL had finally thrown off its traditional "no-politics" policy. The question many Canadian observers were asking was: Will the AFL's Canadian counterpart, the TLC, follow suit?

• • •

CIO Jubilant Over Truman Win

For the CIO, Jack Kroll, director of its Political Action Committee, hailed the result as "labor's biggest effort and triumph."

Added Kroll: "American politicians won't forget this election for 50 years." He predicted too that it would influence legislation for the same length of time.

There was no question that it would have an effect on at least one piece of legislation—the Taft-Hartley Act. President Truman campaigned against it and has indicated that one of his first tasks will be to repeal it. His new Secretary of Labor, Maurice J. Tobin, feels the same way.

It was the T-H Act, or rather one clause in it, which pitchforked the AFL into politics for the first time. The AFL had never been so worked up over anything. The T-H specifically banned the closed shop.

This was like cutting off the AFL's right arm. The closed shop had been an almost exclusive AFL privilege for years. But for this, the AFL probably would not have thrown its tremendous weight into the campaign.

The AFL made no bones about what it was going to try and do. Says AFL Leader Meany: "So far as we are concerned, repeal of the 'anti-labor' Taft-Hartley Act was the one and only issue."

Prominent among the 51 Republicans who went down before the onslaught was Sen. Joseph Ball. He is recognized as one of the law's principal draftsmen. Its nominal authors are Sen. Robert Taft (he wasn't up for re-election) and Rep. Fred Hartley (he was but didn't choose to run; his successor was beaten badly).

The CIO had a more deep-rooted reason. This was its second major political campaign. The CIO hated the T-H Act just as much as the AFL. But even if there had been no T-H Act at all, the CIO would have been in there. The CIO and its Canadian counterpart, the CCL, is committed to political action as such.

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Steelworkers Oust Commie

The big CIO Steelworkers Union has emerged from its first test of its constitutional amendment banning Communists from holding office in any steel unions. The case involved an official of an Inland Steel Co. local in Indiana, Nick Migas, a member of the National Committee of the Communist Party.

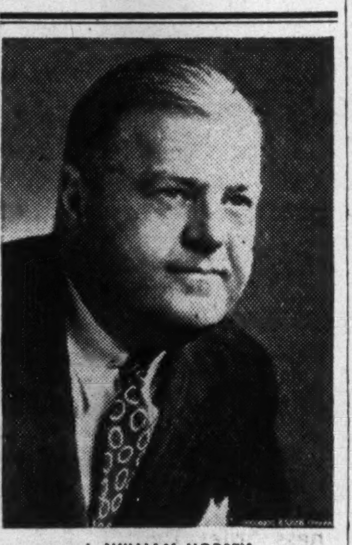
Migas was removed from office by the executive board of the International union when the local of which he was an officer failed to carry out the union's decision at its last convention that Communists could not hold office in any steel union.

Similar action in Canada is not likely. Of the 180 steel locals in this country, only two are known to be controlled by Reds. Both are in Hamilton.

If however, the membership of either local demand a trial of their leaders, there's nothing the Internaitonal could do but face it.

Unofficially, the Canadian end of the Steel union prefers to deal with Communists by out-voting rather than ousting them.

However, one Toronto local was backed into a position of enforcing the amended constitution. At a recent election, a candidate for president announced that he was a Communist and proud of it. The chairman had no alternative: he ruled the Commie ineligible.



J. WILLIAM HORSEY

President of Dominion Stores Limited, who has been elected a Director of the Crown Trust Company.

CPR Earnings Show Big Drop

MONTREAL (Staff)—Decline of $4,787,617 was shown in net earnings of Canadian Pacific Railway in the nine months ended Sept. 30, 1948, compared with the corresponding period last year. Comparative statement follows:

	1948 $	1947 $	Incr. $
	For September		
Gross earn.	33,998,953	27,772,554	6,226,039
Working exps. ..	31,697,920	26,812,603	4,885,317
Net earn.	2,300,673	959,951	1,340,722
	To September 30		
Gross earn.	255,587,038	232,928,367	22,658,671
Working exps. ..	249,772,213	222,325,925	27,446,288
Net earn..	5,814,825	10,602,442	*4,787,617

*Decrease.

• *Shields of Herculite tempered glass protect spectators from flying pucks at Maple Leaf Gardens.*

GLASS GUARDS YOU
when the shooting starts!

When there's lightning action around the hockey net, you need a clear view and plenty of protection. You get both at Maple Leaf Gardens, Toronto, behind a solid row of *glass shields.*

Old-style wire netting more than hazed the view of fast goal-mouth plays, and soon became battered, ineffective and unsightly.

A Hobbs representative suggested . . . of all things! . . . shields of *glass.* Not just ordinary glass, but shields of Herculite . . . the amazing, tempered glass that's 500% stronger than plain glass; withstands heat, cold and terrific impact shocks.

Now hockey fans have rink-side seats safe from flying pucks, and unobstructed vision doubles their enjoyment of Canada's favourite game. It's yet another example of how modern glass makes for better, more enjoyable living.

Every day, more and more problems in lighting, insulating, and decorating, are being solved with glass by Hobbs . . . in factories, homes, and offices . . . in every type of building. In Canada—it's HOBBS for glass.

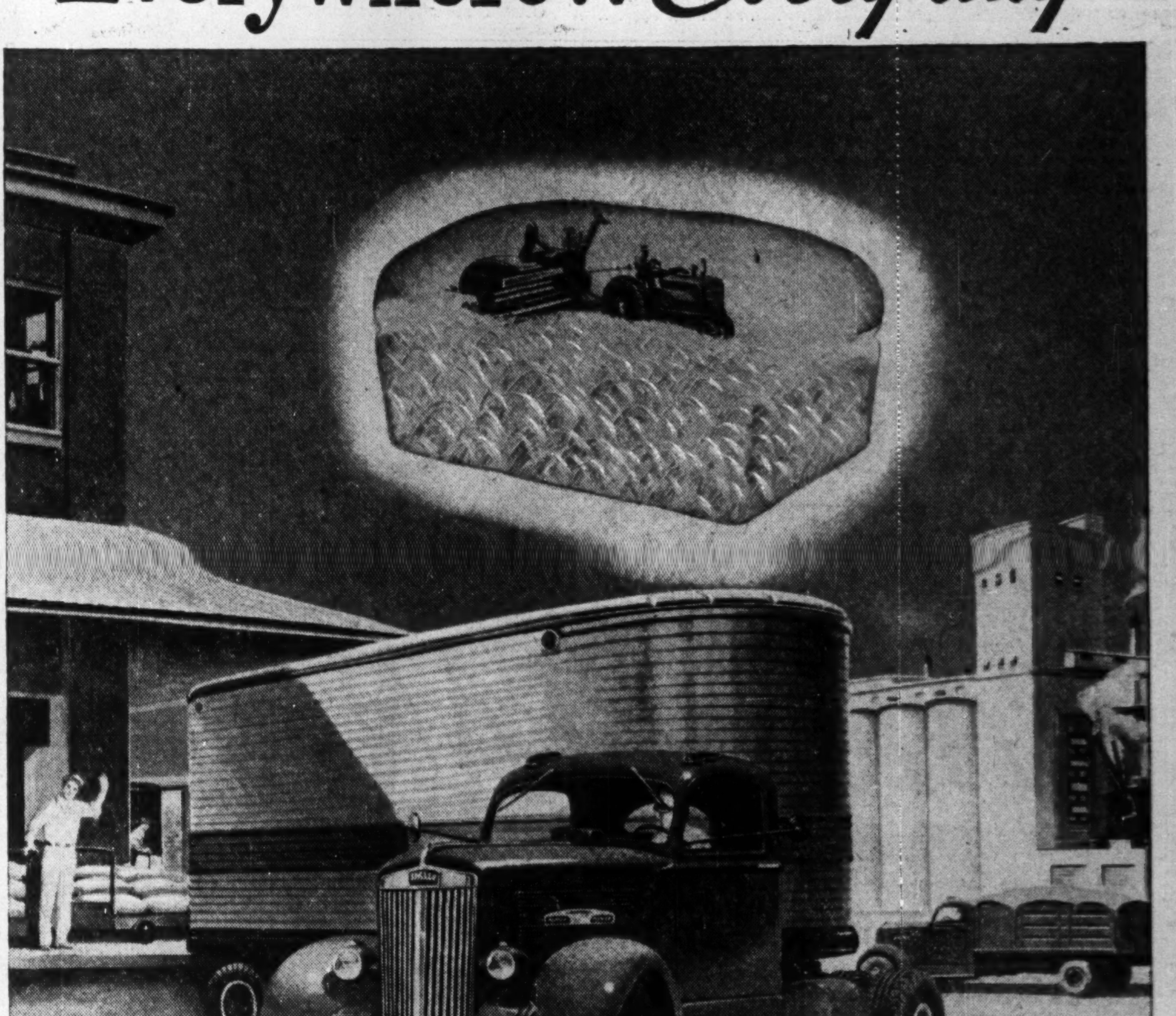
Hobbs Glass Limited, London, Ontario.

Look to GLASS for better living—come to HOBBS for glass!

HOBBS GLASS. PAINT

Also sold in Canada by HOBBS:
• PC Glass Blocks. Twindow insulating windowpanes. Foamglas insulation. Corrugated glass. Coolite heat- and glare-reducing glass. Plate glass. Carrara. Safety glass. Nucite glass chalkboard. Mirrors. Pittsburgh Paints with Color Dynamics.

Everywhere.. *Every day*



FEW MIRACLES *of modern living approach the one performed daily by farmers, millers and the baking industry to provide a golden loaf of fresh bread for every average-size family. Of even more importance is the improvement in everyone's daily diet, and more leisure time for housewives.*

Wherever the utmost in dependability is required, you'll find White Super Power Trucks preferred.

The best proof of a truck's quality . . . and *earning power* . . . is its record in services requiring continuous operation, day after day.

And such no-time-out service is required of trucks engaged in the daily miracle of supplying the nation's bread and baked goods . . . from farms to mills and bakeries, on to stores and homes.

Continuous delivery of split-penny profit perishables calls for not only dependable but also economical transportation. That's why White Super Power Trucks enjoy such marked preference in those fields which must have the utmost in distribution efficiency.

Your local White Representative will gladly explain how this applies to your business.

White

THE WHITE MOTOR COMPANY
OF CANADA LIMITED
Factory at Montreal
Branches: Montreal • Toronto • Hamilton • Winnipeg
Calgary • Vancouver
Sales & Service Centres Coast-to-Coast

FOR MORE THAN 45 YEARS THE GREATEST NAME IN TRUCKS

THE FAIREY VIATION COMPANY.

Another Successful Year.

SIR RICHARD FAIREY'S REVIEW.

The 20th ordinary general meeting f the Fairey Aviation Company, td., was held on October 27 in ondon.

Sir Richard Fairey, M.B.E., .R.Ae.S. (chairman and managing irector), in the course of his speech, aid:

Your directors are pleased to re ort another year's successful work ng. After providing for taxation nd making the necessary adjust ents for the interests of the minor y shareholders in subsidiary com anies a net profit of £206,811 for the ear is shown.

It is proposed to make a further llocation to the staff pension fund £25,000, to make a transfer, as last ear, of £150,000 to the reserve for esearch and development, bringing at reserve to a total of £450,000, to rite off £49,746, against patents, &c., educing that item in the balance heet to £1, and to pay an ordinary ividend of two shillings per share.

XPENDITURE ON RESEARCH AND DEVELOPMENT

Our considerable expenditure on re arch and development will have been ted and this, you will appreciate, is essential feature of our business. urs is a progressive industry, and to ll behind in technical progress would riously damage our future prospects. e have never grudged expenditure on search and development within the asonable limits of our means and the sults have become manifest in our st growth and our present position. hen one reflects that such successful rcraft as, for example, the "Fox," the mous "Swordfish," our more recent licopter and the "Primer," were all ivate ventures conceived within our ganisation and, together with the lated enterprises in such matters as astics and moulded boat hulls and the her pioneer developments undertaken rough our subsidiaries at home and erseas, were all financed from our n resources, it is a little bewildering learn that it has been stated in the use of Commons from official sources at there is no such thing as private terprise in the British aircraft industry.

We have some new and novel types the prototype stage and on the awing-board. Our latest contribution the Fleet Air Arm will shortly take e air.

I have to report that following suc ssful pioneer efforts we are being couraged by the Ministry of Supply extend our activities in the guided apon field. Our original development oject in this field achieved consider le, success and incorporated novel atures, of which some have been made blic. I can give no further informa n except to say that we are expanding this field and its associated develop ents.

Our helicopter has been flying for me months. Indeed, it has already oken the world speed record for tary wing aircraft—a remarkable feat hen it is considered that the machine s a first prototype built for develop ent purposes. This increase in speed ll be a very material factor in the ture utility of the type. There is still me technical development ahead of but a prototype order has been ceived from the Ministry of Supply d we shall continue our efforts to go to production as soon as possible.

We have produced a very promising pe of training 'plane, the "Primer"— particularly cheap construction, and the effort to obtain production orders r this aircraft we have made a bold d to undertake its manufacture both re and possibly overseas, at a com titive price on a fixed contract basis. hen we had taken the decision to lay wn a small batch, the first machine as built at our Hamble Works and flew ithin 98 days of its inception—a con derable tribute to the management d workers concerned, and a testimonial its ease of construction.

"FIREFLY" NAVAL AIRCRAFT

Our principal product continues to be r very successful "Firefly" naval air aft, now in use by the Royal Navy, the yal Canadian, the Royal Australian, d the Royal Netherlands Navies. A w and improved mark has been intro uced recently and the indications are at our production programme for this rcraft will be maintained for at least other two years. The repair and aintenance of our own and other air aft form a considerable part of our rnover and, in this connection, I lieve that our rapid servicing of large rcraft for the Berlin air lift has given eat satisfaction.

Reporting briefly on our subsidiaries, ir Survey Company, Limited, is now a nsiderable organisation both at home d abroad. It includes Air Survey ompany, of India, Limited, at Calcutta, d Aero Surveys, Limited, of Vancouver, hile its mapping resources have been ded to be the acquisition of Aero aphic Surveys Limited. This group now operating its own fleet of aircraft, d its scope has been extended to ver the whole field of aerial survey d mapping. Such maps are of the tmost utility for every kind of land evelopment work, and we are hopeful at this particular branch of our ctivities will be of growing importance future years.

Aeroplastics Limited has been profit bly occupied in the production of lastic products, both compression and jection moulding methods being used, d the plant has been increased.

MPORTANT OVERSEAS DEVELOPMENTS

I have mentioned previously the ecessity of servicing our products over eas, which, coupled with the national eed for dispersal of industries roughout the Empire, has prompted us take certain further steps. I am now ble to report two important develop ents that have been achieved in the ast year.

In conjunction with the Clyde Engin ering Company, of Sydney, Australia, e have formed the Fairey Clyde Avia ion Company in that country and are utting up half the capital and backing e new organization with our technical esources. The Clyde Engineering Com any already having experience of re air and maintenance of aircraft, the ew company's first activities will be the servicing of Firefly aircraft in se by the Royal Australian Navy, but, lways cutting our coat according to the loth, it is our intention, by such degrees s may be practicable, to build up the ustralian company into a fully fledged viation manufacturing and design com any.

We have recently formed the Fairey viation Company of Canada, Limited, nd have acquired for that company a actory at Halifax, Nova Scotia. In this ase we are providing the majority of he capital, and, as with the Austra ian company, we are giving the new con ern our full backing and technical re ources, and are providing a nucleus xpert staff. The programme of work nd development will be similar to that f the Australian organisation.

These are not easy times in which to un a manufacturing business. Never heless, we have pursued our steady ay with results which, I think you will gree, are not unsatisfactory. Our rders in hand are increasing and we ully expect to continue our progress as efore and to retain our appropriate lace in a great British industry.

The report and accounts were unani ously adopted.

THE ADVERTISING BUSINESS

'Blacked Out' Air Advertisers Prefer Extra Time to Rebate

By WALLACE GILLESPIE

When switches are pulled on advertisers' sales messages, who takes the loss?

Hasty program switches by Ontario radio stations, and a 10% discount by poster operators, have so far forestalled advertiser requests for rebates and cancellations. Meanwhile, a long-term policy—in view of the expected continuation of the Ontario power shortages throughout the winter —is actively under discussion.

Association of Canadian Advertisers' radio committee was meeting on the subject at midweek. Outcome of the meeting was to be transmitted to radio station operators and agency representatives later.

At the same time, the radio and movie people were meeting with Hydro representatives to lay plans for packing further promotional punch into the conservation appeals. A radio representative explains that it is only through a successful conservation campaign that broadcasters and theatre operators can solve their problems with advertisers and the public. It will therefore pay these industries, he says, to slam more pressure into Hydro's appeals than has been possible so far. One possible radio technique would be to broadcast frequent direct questions—"Did you turn off the light in the bedroom?" etc.—rather than the over-all story of power shortage.

Poster operators, meanwhile, believe that the 10% discount will solve their problems with advertisers. They point out that the discount applies, not only to the illuminated signs, but to the overall cost of showing in a formerly-illuminated city. The discount therefore applies to Brantford, Chatham, Galt, Guelph, Hamilton, Kingston, Kitchener-Waterloo, London, Niagara Falls, Oshawa, Ottawa, Owen Sound, Peterborough, St. Catharines, St. Thomas, Sarnia, Stratford, Toronto and Windsor, Ont.—as well as in Sherbrooke, Que.

It does not apply in Sault Ste. Marie, Port Arthur, Fort William, Sudbury, North Bay and Timmins. These cities have illuminated posters, and the lights are still burning on them.

There are, of course, other Ontario cities where poster service is offered but not illuminated in any case. Here the discount naturally doesn't apply.

How it Works in Radio

This discount arrangement is parallel to one devised during the wartime blackouts. With radio advertising, the normal contract provision is for cancellation of "spot announcements" or "spot (selective) programs" on two weeks' notice, and for cancellation of network programs on 13 weeks' notice (30 days in an emergency).

A poll of Toronto radio stations, however, failed to reveal any case in which an advertiser has given notice of cancellation.

CFRB reports that it offered advertisers at certain daytime hours (when power was cut off in certain sections of the city) either a 20% "make good" (time of equivalent value at another hour) or a 20% rebate on monthly billings. Because advertisers wished to maintain their impact in the market, no one is said to have asked for the rebate. At 7 p.m., when power has been cut throughout the city, CFRB is broadcasting a Columbia-originated show (which is heard outside Toronto on the CBC network); this is re-broadcast at another time for Toronto listeners.

Canadian Broadcasting Commission, which operates Toronto stations CBL and CJBC, says the 7 p.m. cut off doesn't conflict with any commercial programs. It states that the daytime cuts of a portion of Toronto do not constitute a large percentage of its over-all coverage, though the listener loss has been raised by one advertiser and "we'll probably be hearing from him again."

CKEY has been repeating its 7 p.m. programs at a later hour—not the entertainment portion, but the commercials. The "make good" policy, it is explained, entails a good deal of extra re-arranging by the station staff, but it hasn't brought about any decline in advertising revenue.

CHUM says its problem is the simplest of the Toronto stations. It has quite a few retail accounts. These are re-arranged so that they are released at the time when power is on in the area of the city which the retailer is particularly anxious to reach. The 7 p.m. cutoff doesn't affect it, since CHUM goes off the air at sundown.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

William R. Orr & Co.'s campaign for toys of Haugh's Products Ltd., Toronto, will feature full pages in Toronto daily newspapers, beginning Nov. 22 and continuing till Christmas, plus a Saturday morning radio program. Campaign will introduce Walt Disney character "Inflat-A-Toys." Direct mail, reproducing the full-page ads, paves the way with dealers for follow-up by salesmen. Department and chain stores are tying in with windows and displays. All stores are furnished with reproductions of the ads in color, for window use.

* * *

O'Brien Advertising Ltd. has begun campaign for Industrial Coatings Ltd. (Vancouver) to point up use of newly-developed plastic linings for food processing tanks and machinery. Trade magazines and business newspapers, chiefly in Western Canada, carry the schedule.

* * *

Walsh Advertising Co. announces resumption of Manor Foods Ltd.'s advertising in a wide list of Ontario dailies. Ads feature Wethey's home-made style mincemeats, jams, and marmalades, Grimsby brand pickles, now being advertised only in Toronto dailies, are also included in extended schedule. This consumer coverage ties in with Wethey's regular full-page ads in Canadian Grocer.

* * *

Roy F. Mackenzie has been appointed assistant advertising manager of Chatelaine (Maclean-Hunter) succeeding Hall Linton, who was recently appointed advertising manager of Maclean's Magazine. Mr. Mackenzie joined the company 20 years ago; transferred to the magazine division in 1937; serviced Chatelaine in Eastern United States, and more recently in Eastern Ontario and the Niagara Peninsula.

* * *

McKim Advertising Ltd. (Toronto) says British Drug Houses (Canada) Ltd, will direct 1949 campaign towards medical and pharmaceutical professions. Series of ads in trade publications will point up integrity of British Drug Houses and traditional quality of their products.

Quebec City Sells $1,699,900 Bonds

MONTREAL (Staff) — Quebec City has sold $1,699,900 of 20-year serial bonds at a price of 99.4334 to a syndicate composed of L. G. Beaubien Co., Banque Canadienne Nationale, Wood Gundy Corp., and Hamel, Fugere & Co. Net cost to the city will be 3.368%.

In May 1947, the city sold a renewal loan of $2.5 millions 20-year serials at 96.799, which at the time represented a net cost of 2.64884%.

The latest loan consists of $264,500 @ 2¼%, 1949-52; $298,000 @ 2½, 1953-56; $335,300 @ 2¾%, 1957-60 and $802,100 @ 3%, 1961-68. The new bonds are dated Oct. 1, 1948 and are not redeemable by anticipation. The loan has been incurred for permanent works, waterworks and sewers, pavings, purchase of traffic lights, etc.

Assessed valuation at Quebec amounted to $131.2 millions for 1947-48. Net consolidated debt of the city was $24.2 millions as of April 30, 1948. Population of Quebec at the end of last year was 190,021.

Industrial Growth

New plants and expansion projects to boost the nation's bulk output and product diversity.

Canadian Silk

Orient Hosiery Ltd., recently incorporated subsidiary of Canadian Silk Products, Sherbrooke, Que., A. A. Munster, president and treasurer, starts building new $2 millions 60,000 sq. ft. plant at Brockville, Ont., described as to be "the best equipped, most modern of its kind on the continent." Architects and engineers are Surveyer, Nenniger & Chenevert; contractor Anglin-Norcross Quebec. Completion is scheduled for about a year from now, when employment will be pushed at once toward the 350-mark, it is stated.

* * *

United Distillers

United Distillers Ltd., Vancouver, subsidiary of United Distillers of Canada, completing plans for early start on building new beverage liquor distillery on Queen Elizabeth Way, near Oakville, fast growing residential-industrial town midway between Toronto and Hamilton on Lake Ontario. A 24-acre site was bought in 1946, when intention was to start building in 1947 (The Financial Post, Industrial Growth, Oct. 19, 1946). Proposed 1,000-bushel plant, smaller than the Vancouver distillery, will make all UDL products. UDL last summer at Vancouver (suburban Marpole) began building a $350,000 rack warehouse addition to its main plant. A. L. McLennan is president.

* * *

Renfrew Electric

Renfrew Electric & Refrigerator, Renfrew, Ont., completing 1 story, 6,000 sq. ft., steel and brick addition to plant and office at about $55,000; architect Norman M. Moffatt; contractor M. J. Sulphur & Sons Ltd. "Some" rise in output and employment is expected. Renfrew makes electric rangettes, grates, hotplates, heaters, humidifiers, irons, toasters, wiring devices, ice refrigerators etc.

H. B. Mining

Hudson Bay Mining & Smelting starts building new slag fuming plant at Flin Flon, Man., estimated at over $5 millions and scheduled to go into operation in 1950. Hudson Bay officials expect the development to boost zinc output 30 million pounds a year, as well as raise recovery of gold, silver and copper. It will handle about 300 tons a day.

* * *

Exolon

Exolon Co., Thorold, Ont., making electric furnace abrasives and refractories, gains productive efficiency (though not process capacity directly) by an addition now being completed, 1 story, 8,000 sq. ft., steel and tile, about $50,000. Addition is for machine shop and storage.

* * *

Bonner Leather

Bonner Leather, Montreal (kid leather and plastering hair), completing new $150,000 plant on five acres in suburban Ville LaSalle, 1 story, 36,000 sq. ft., steel, concrete block and brick. Bonner output will rise 40%; employment to about 125. Entire production will be sold to the shoe industry, mainly kid, cabretta and split leathers. Architect is James C. Meadowcroft; engineer T. G. Anglin Engineering; contractor B. G. L. Engineers & Builders Ltd.; steel Dominion Bridge.

* * *

Superheater

Superheater Co., Montreal, machinist and manufacturer, with plant at Sherbrooke, Que., pushes building of 4-story, 38,000 sq. ft. addition of steel, concrete block and brick, to cost over $110,000; architect A. Leslie Perry; engineer J. Charles Day; contractor R. E. Stewart Construction Corp. It will house pattern shop and warehouse facilities, provide indirectly for expanded output, possibly later for added employment as well. The addition, now enclosed, is scheduled for early 1949 completion.

* * *

Wilkins

Robert C. Wilkins Co., Farnham, Que., overalls, shirts, white coats, breeches, recently completed addition to branch plant at Sutton, Que., increasing floor area 40%, permitting staff increase to 40 for some gain in output and quicker delivery.

* * *

Canada Cement

Ottawa Valley Crushed Stone Ltd., subsidiary of Canada Cement Co., completing commercial stone plant near Ottawa for crushing, screening, storage. It includes six large reinforced concrete silos for storage of six kinds of aggregates and equipped for rapid loading of trucks. Operation is expected in January, with 15 workers. Estimated output 300,000 tons a year; cost about $300,000.

* * *

Canadian F-M

Canadian Fairbanks-Morse, Montreal (scales, coal burners, trucks, furnace blowers etc), is about to occupy new 25,000 sq. ft. warehouse and office on Toronto harborfront. First floor contains showroom, scale service and machine shops, stockroom, packing area, receiving and shipping facilities. Second floor houses 12,000 sq. ft. office section, lavatory and locker rooms etc.

Pembroke Elec. $1 Million Bond Issue is Okayed

MONTREAL (Staff)—Creation of an issue of $1 million first mortgage sinking fund bonds of the Pembroke Electric Light Co. has been authorized by the Quebec Provincial Electricity Board. Of this issue, authorization was given to issue and sale of $500,000 3¾% first mortgage bonds, series A at par and accrued interest.

In addition, company has been authorized to create and offer $300,000 4½% debentures maturing Nov. 1, 1968. The 3¾% first mortgage bonds mature Oct. 1, 1966, with sinking fund sufficient to retire $30,000 principal amount 1952-56 and $35,000 1957-65.

Authorization of the bonds and debentures follows authority granted for redemption Oct. 31 of the then outstanding $250,000 7% preferred shares at 110.

HOT DIP GALVANIZING

With our many years experience and modern equipment we know you will be pleased with the work we do.

Let us do your next galvanizing job.

Tank Capacity 36" x 72"

RENFREW ELECTRIC AND REFRIGERATOR CO. LIMITED
RENFREW, ONTARIO

AN EXPERIENCED EXECUTOR

The duties of an executor have never been as arduous as now.

A competent executor requires experience and specialized knowledge of accounting, taxes, investments and real estate and a clear-cut understanding of the duties and responsibilities imposed by law upon an executor.

When you appoint Crown Trust Company as executor and trustee in your Will, your heirs will enjoy the benefits of the experience gained from many years of handling estates.

Our trust officers will be glad to discuss this subject at your convenience.

Write for our booklet "The Orderly Administration of Your Estate."

Crown Trust Company
Executor and Trustee since 1897

MONTREAL — Winnipeg Vancouver Calgary
TORONTO — Brantford London Windsor

Profitable Operation Requires Adequate Working Capital

The officers of many business concerns, both small and large, find that changing conditions have brought changes in their financial needs. Working funds which formerly were adequate are no longer sufficient to permit operation at top efficiency.

We shall be pleased to discuss with you, ways and means of providing additional working funds as needed.

DOMINION SECURITIES
CORPN. LIMITED
Established 1901
Offices in principal Canadian cities
New York and London, Eng.

SHOULD YOU SELL?

There may be several good reasons for considering the sale of your business.

As confidential agents and analysts, with extensive Canadian and American connections, we have many principals with capital ranging from $25,000 to $5,000,000 and more, interested in acquiring a wide variety of industrial and commercial businesses.

Confidential discussion is invited.

W. H. BOSLEY & CO. — Business Sales Dept.
28 Adelaide Street W., Toronto, Ontario

EXPORT SALES AGENTS — EXPORT BUYING AGENTS

ARE YOU EXPORTING?

It is essential to Canada's economy that our present volume of Exports is not only maintained but increased!

Only by means of Exports can we balance our National Budget and maintain our present Standard of Living.

All OUR efforts are devoted to this end. ARE YOU DOING YOUR PART?

If not, or if you are not satisfied with your present Export volume,

LET US HELP YOU

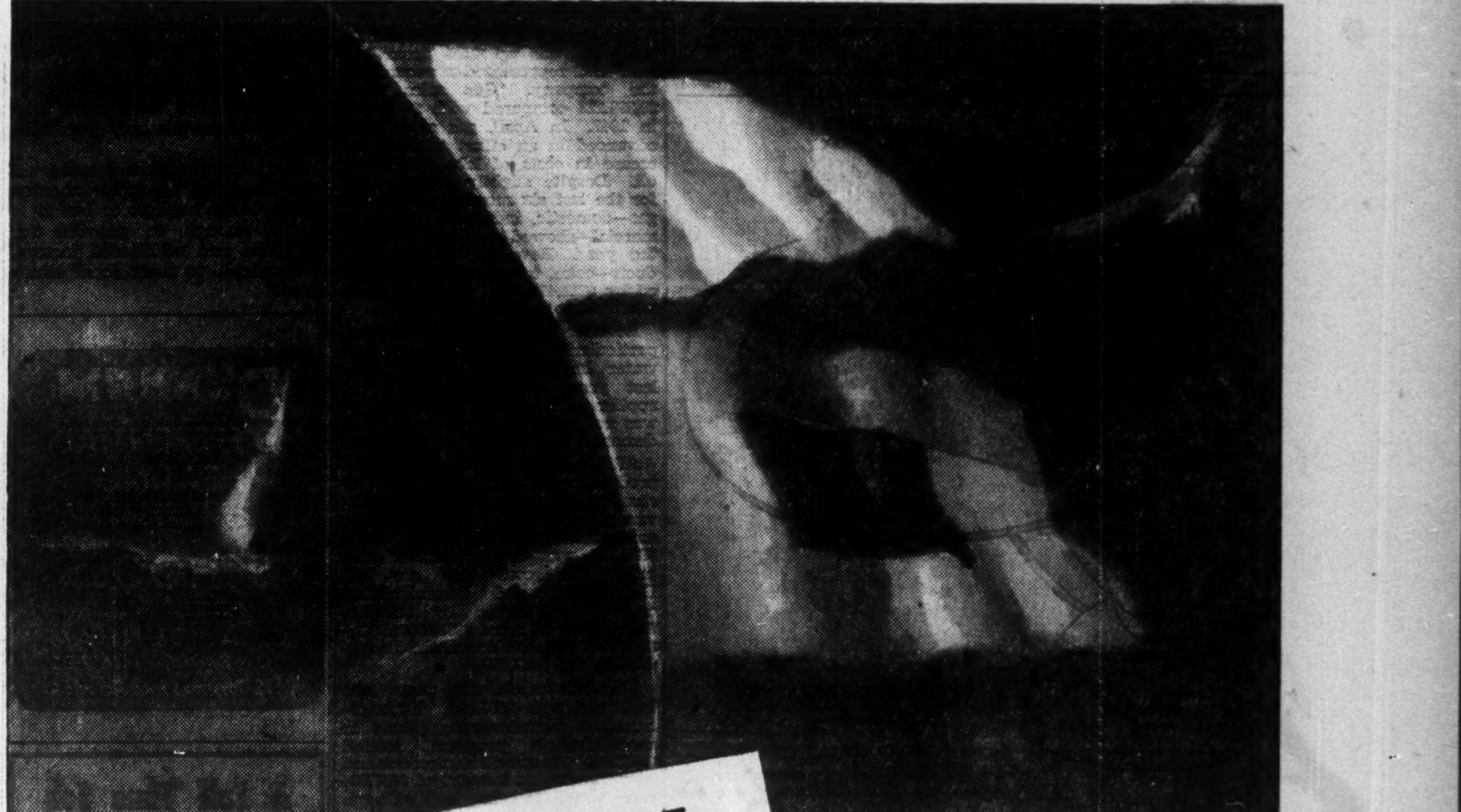
through our world-wide organization of experienced Salesmen.

WRITE FOR DETAILS TO
AUTOMOTIVE & GENERAL EXPORT CO. LTD.
10-12 St. Patrick St., Toronto 2b, Ont.

OUR CUSTOMERS WANT —
Woodworking Machinery
Hosiery Machines
Machine Tools
Hand Tools
Hardware items of all types
Pipe Fittings
Electrical Accessories
Electrical Fittings
Electric Motors
Fluorescent Lighting Tubes
Ball Bearings
Taps & Dies
Saws, Hacksaws & Blades
Automotive Parts & Accessories
Textiles of all Kinds
Canned Fish—Salmon & Sardines

We have definite enquiries for the above, from clients who hold Import Permits and can obtain the necessary Foreign Exchange to finance their purchases.

Send details of your offers to
JOHN FURMINGER EXPORT COMPANY
10-12 St. Patrick St., Toronto 2b, Ont.
Established 1929



STORM SIGNALS . . . . ARE FLYING!

All is not well with the world. There are clouds on the horizon. The business outlook, reflecting the international situation, is uncertain. Now is the time to make sure—very sure—that your financing and credit connections are sound.

For more than a quarter of a century, through all kinds of business weather, the I.A.C. Merit Plan has been a financial bulwark for dealers and merchants selling on an instalment plan basis such durable goods as automobiles, household appliances, commercial equipment or industrial machinery.

I.A.C. is an all-Canadian company, directed by an all-Canadian executive, and thoroughly adjusted to Canada's particular economic conditions. I.A.C. has a long history of fair and friendly treatment of dealer associates.

Consult your local I.A.C. Branch Manager about the details of the Merit Plan—a finance plan which offers you the same security, the same completeness of interest and service in good times and in bad.

Industrial Acceptance Corporation Limited
I·A·C
SPONSORS OF THE MERIT PLAN
Executive Offices: Sun Life Building, Montreal
MORE THAN FIFTY BRANCHES ACROSS CANADA

84A

I depend on Craven 'A' -for extra enjoyment !

It's a very real pleasure to smoke Craven 'A'. Superlative in quality and always fresh, they delight the most discriminating. They're cool to the tongue and kind to the throat ; ; ; smooth ; ; ; satisfying.

CRAVEN "A"
VIRGINIA CIGARETTES
CRAVEN 'A' 20

CRAVEN PLAIN—
without cork tips—
same fine quality as Craven 'A'.

Craven 'A'
will not affect the throat

The largest-selling
Cork Tipped Cigarette
in the world!

CARRERAS LTD., LONDON, ENGLAND—150 YEARS' REPUTATION FOR QUALITY

Distinctive Luggage and Leather Goods

SINCE 1842

HARCOURTS
103 KING ST. WEST, TORONTO

The *proof* of the Pudding....

is in the eating...The proof of a Calculator is in the *using*...That's why we say, "Try before you Buy," using a Friden Calculator with your own personnel, in your own office and on your own figure work.

Telephone your local Friden office...a representative will analyze your work, provide a *fully automatic* Friden, instruct you on its simple operation and leave it for you to try on your own problems...all without obligation.

There's a Friden model to fit your pocketbook, your every specification. *Try before you Buy*...that's the Friden way.

Friden Mechanical and Instructional Service is available in approximately 250 Company Controlled Sales Agencies throughout the United States and Canada.

FRIDEN CALCULATING MACHINE CO., INC.
HOME OFFICE AND PLANT • SAN LEANDRO, CALIF., U.S.A. • SALES AND SERVICE THROUGHOUT THE WORLD

Sheridan-Karkow Formula Values Offices For Rent

Relatively New to Canada, Easily Applied Yardstick Shows Why Smith Pays $3 a square foot per Year Against $2.45 for Jones

"The Sheridan-Karkow formula for pricing office space (The Financial Post, Construction Trends, Sept. 25), is one of the most outstanding contributions to office building management in recent years," J. Wurtele Rankin, of Westmount Realties, Montreal, said in a recent talk on property management generally. He was addressing the annual convention of the Canadian Association of Real Estate Boards, at Hamilton, Ont.

The formula is named for Leo J. Sheridan of Chicago, who conceived the principle, and Waldemar Karkow, Chicago consulting engineer who collaborated in developing technical data. It was published June, 1933, at the Pittsburgh convention of the National Association of Building Owners & Managers, where this "new and major development" received its first discussion by property industry leaders.

"Why is the rate on my space $3 a square foot per year, when John Jones is paying only $2.45?" is a question often posed to office building managers. The Sheridan-Karkow formula gives the answer.

Square Feet Aren't Equal

The square foot has been the generally accepted unit in measuring floor area. However, a square foot of floor with a price attached gives no evidence of location, style of architecture, safety, ventilation, heat, conveniences, outlook, character of neighbors, kind of management or quality of service rendered. Until the formula was evolved it was usual for the owner and building manager to tour the building, look at each area and price each space by merely agreeing one section was "worth" $3, another $2.50 or $2 without knowing why except that they thought the market would bear it.

Two primary characteristics and objectives of the S-K formula:

1. Provides each building with an accurate method of determining the relative rental value of all space above the ground floor;

2. Provides a method sufficiently comprehensive to be applicable to all buildings, regardless of age, design, height or location, so that the relative values of space in a group of buildings may be readily established in terms of a common unit.

The formula is a simple and quick way to determine value by applying to each typical space a few simple measurement factors such as street exposure, height, depth, width etc. It introduces a new unit of measurement—"equivalent area"—that relates area to value. It takes as a standard of value a "typical" office 18 by 25 ft. on the eighth floor of the principal frontage of the building under consideration (or two floors from the top if the building is less than ten stories high). This standard office rates as "par," which means that rentable area and equivalent area are the same.

First Uniform Plan

Other typical offices are then compared with the standard office. If the space is more desirable, the equivalent area will be greater. If the space is less desirable, the equivalent area will be less, according to the formula. Once equivalent areas have been determined throughout the building, the rental rate for the standard office becomes the "base rate," and the rental rate for any space above the ground floor is the equivalent area multiplied by the base rate.

"In considering use of the formula in an individual building," Mr. Rankin cautioned, "one should have in mind the underlying purposes: to provide a price structure that is uniform throughout, thus providing a fair basis for obtaining the maximum rental return. Furthermore, the benefits are permanent, and when economic conditions indicate a change in rental rate, only the "base rate" is changed, and the distribution throughout the building is immediate and automatic.

"As a result of experience with this new device, it can be said with assurance that:

"1. The need and value of a uniform method of evaluating space, applied to buildings of all types, has been clearly demonstrated.

"2. The Sheridan-Karkow formula has met that need and stands out as the only yardstick available.

"3. It has functioned under all conditions and the factor of error seems to be negligible; but it is elastic enough to provide for variation and additional factors, if required, to meet local situations."

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CONSUMERS' GAS CO. OF TORONTO net profit for the year ended Sept. 30, 1948 was off 8.3% despite substantial increase in gross earnings. Sharp increase in expenses and taxes more than counteracted higher revenue.

Gas production of 8,547,261,000 cubic ft. was up 4.5% from last year and represented a record for the company. Gas sales were $9,399,123 compared with $7,943,686 in 1947. In April, gas rates were advanced in an effort to meet increase in costs of labor, coal and oil. Despite slightly higher rates for the last six months, all uses of gas—domestic, industrial and commercial—showed good gains during the year. Revenue from by-products—coke, tar ammonia—advanced by $211,414, due partly to more satisfactory market for tar.

Revenue from sales of appliances, particularly domestic ranges and water heaters, was greater than last year. Although supply of appliances improved somewhat, it was not sufficient to meet growing demands, the annual report states.

All items of operating expense—production, distribution, administration and taxes—increased. Advance in manufacturing expenses amounted to $1,077,109, of which $821,355 was due to higher unit prices for coal and gas oil. Distribution and administration costs were higher by $259,653. Taxes jumped from $938,430 to $1,230,093. Payrolls amounted to $3,489,832—up $603,510.

Cost of maintaining plant and buildings was $937,435. Expenditures on manufacturing plants in modernization program, totaled $558,239. Plant and equipment and property to net amount of $496,034 were added, to bring total value to $25,971,192. Actual plant extensions involved expenditures of $656,288. Certain property and equipment to extent of $160,254 were discarded and written off.

Despite an acute shortage of pipe, more than 18 miles of gas mains were laid, largest year's work since 1939. Large additions were made to production department as part of program to expand, as rapidly as possible, the capacity of manufacturing stations. Demand for gas continued ahead of supply. Sharp increase in working capital position resulted from borrowing by bond issue.

INCOME ACCOUNT

Years Ended Sept. 30:	1948	1947
Total gross earn. ...	$11,749,224	$10,076,277
Less: Exp. & taxes .	9,663,850	8,035,425
Bond int.	84,375	......
Bond ret. fund ...	114,942	......
Bd. exp. amort. ..	1,973	......
Net profit	1,884,084	2,040,852
Less: Dividends	1,164,416	1,164,416
Surplus for year ...	719,668	876,436
Add. Tsf. from res.	......	262,365
Tsf. to renew. fund	719,668	1,138,801
Earnings per Share and Dividend Record:		
Earned*	$6.50	$7.19
Earned†	8.00	6.20
Paid	8.00	8.00

*Based on net profit less amount spent on repairs and renewals in year: 1948, $937,435; 1947, $994,002. Full annual appropriation to plant renewal fund not deducted as, under co's. charter, dividends are a prior charge on earnings.

†Based on net profits, as above, less entire amount of transfer to plant renewal fund.

CONDENSED BALANCE SHEET

As at Sept. 30:	1948	1947
Cash & govt. bds. .	$5,477,310	$2,828,103
Inventories	2,253,659	1,388,717
Accts., etc., rec. ...	1,230,137	1,014,474
Total curr. assets	8,961,106	5,231,294
Prepaid charges	262,516	130,403
Fixed assets	25,971,192	25,475,157
Total assets	35,194,814	30,836,854
Bank advance	......	1,065,403
Accts., etc., pay. ...	1,885,104	1,198,662
Total curr. liab. .	1,885,104	2,264,065
Funded debt	5,000,000	......
Bond ret. res.	114,943	......
Plants, etc., ren. fd.	10,175,109	10,553,130
Reserve fund‡	3,464,458	3,464,459
Capital stock	14,555,200	14,555,200

‡After deducting trans. to income acct.

Working capital ...	7,076,002	2,967,229

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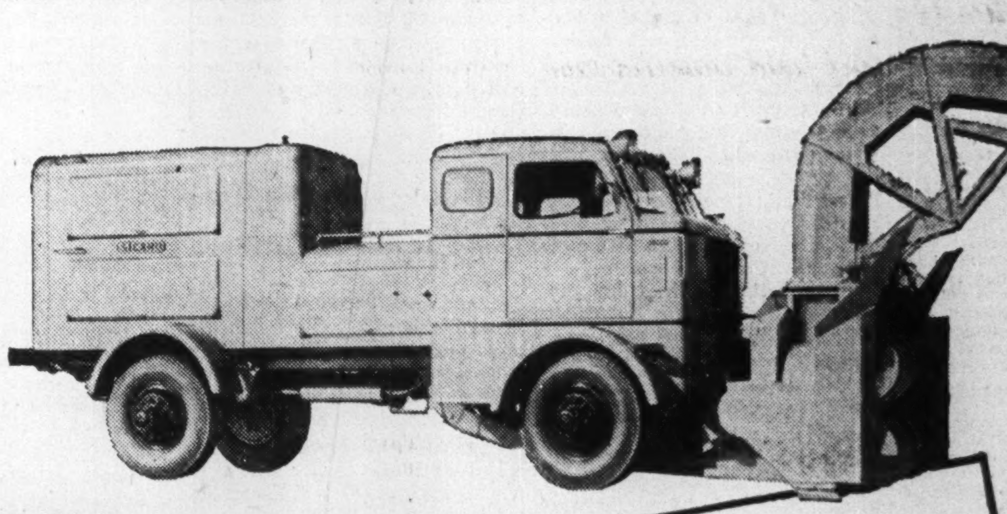

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JAMAICA PUBLIC SERVICE LTD. net income for August declined to $20,926 from $24,964 for the same month last year. For the year ended Aug. 31, 1948, net income was off $39,882 at $300,972 from the corresponding 1946-47 period. Operating revenues were higher at $2,210,722 ($2,005,179), but operating expenses increased to $1,646,389 ($1,447,024). Retirement Reserve Accruals to $143,333 ($128,333), and interest on debenture stock and other income charges to $121,130 ($95,747).

NEW DATA
on the Western Canadian Rural market—based on recent field investigation

PURPOSE OF SURVEY was to continue the series of investigations of farm conditions and farm buying habits started by The Guide 4 years ago. To provide a mental picture rather than a series of statistics on each subject reported.

47 FARMERS—75 MERCHANTS—25 BANK MANAGERS

were interviewed in 29 different rural areas and small towns in Manitoba and Saskatchewan during July and August, 1948.

RESULTS: Complete results are available now in a booklet specially printed for free distribution by The Country Guide. A brief summary follows:

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"Following a period of wartime prosperity this survey gives unmistakable evidence that Prairie farmers are still prosperous, still buying and still progressing.

Loans One-Third of 1939

"The bankers estimate that farmers' indebtedness on farm mortgages, equipment and other loans is only one-third what it was in 1939; that two out of three own their land free and clear. They say farm purchasing power is as great or greater than it was a year ago and, on the average, that farmers' savings are higher.

No Credit Asked

"Of the 75 retail merchants called on, 5 out of 6 say very few of their farmer customers are asking for credit. Three out of four say farmers are putting quality definitely ahead of price in the merchandise they are buying.

Changing Demands

"All but three merchants still report shortages in merchandise to sell. Demand has caught up with supply in a few lines and in some districts electrification is changing demand from some types of products to others."

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Empire Role in Defense

The Question: What effect on Empire do you see in proposed Canadian-U. S. alliance with Western Europe?

The majority of Canadians answering a Financial Post questionnaire, see much to be gained, and little, if anything, to be lost, from the proposed entry of Canada and the United States into a defense alliance with the democracies of Western Europe. Many declared such a step imperative, as a bulwark against totalitarian aggression. Most agreed that the move would not weaken the ties which bind British nations together in the Commonwealth; they believed, on the contrary, that many of the benefits of the Commonwealth, would thus be extended to other freedom-loving nations.

E. JAMES BENNETT, George A. Touche & Co., accountants, Toronto.

To what empire does your question refer? The British Empire, as I understand it, is in an advanced state of liquidation—see statements made by Cripps, apparently the strongest man in the present British Cabinet. Obviously the people of all countries desiring freedom should unite against the menace from Moscow. So far as western Europe is concerned, this alliance would be of little value unless the United States supported the alliance wholeheartedly, both militarily and financially. I see it as the one hope left to the world after all the pussyfooting and appeasement that has been going on since 1918.

* * *

NIK CAVELL, Vice-president, Automatic Electric (Canada) Ltd., Toronto.

I see great changes in the whole Empire concept as we have known it. What is now involved, is the future of human freedom. In that cause we fought in our time two major wars, with chaotic aftermath; and another threatens, which promises even more terrible consequences.

Through unity of purpose with other nations of like principles, we might still avoid another world conflagration; but those principles must stand, and be defended again if necessary.

The spread of the ideal of human freedom throughout the world is the root cause of change in the old concept of Empire. The threat to all human freedom now requires a wider alliance and more strength than the British Empire alone can provide; and we must be prepared to make such changes as will insure the widest possible alliance of freedom-loving peoples—of which the Western European Alliance is, I hope, only a beginning. Some form of quick alliance with Asia is even more vital, if human freedom is to endure.

* * *

STEPHEN A. COLEOPY, Executive Secretary, British Columbia Corps of Commissionaires, Vancouver.

The proposed Alliance with western Europe comes at a time when the term "empire" is being discarded. The British Empire developed the idea of commonwealth and now discards the exclusive title, thus opening the way for a greater association of like-minded nations on an equal basis for the common good. The proposed alliance makes possible the creation of a commonwealth of all nations and the old "empire" will be strengthened and encouraged by the closer association of those with whom they can live in harmony.

* * *

L. F. EARL, Political writer, Tribune, Winnipeg.

In a world such as today, this is a hard question to answer. But the tendency of the proposed Canada-United States Alliance with Western Europe is naturally to drive out the empire idea. This tendency may be inevitable because it is a geographic situation. Many people in the United States now know that had the United States taken a hand in Europe years before it did, the last war might have been averted. This may have been a reason why many supported President Truman in last week's election, because they hoped his Government would get into Europe and divert another war. Whether it works out that way or not, the proposed alliance has a tendency to loosen the ties of empire.

* * *

JOHN MURRAY GIBBON, former Public Relations Counsel for CPR, Montreal.

The effect is likely to be good, as European statesmen will now know where Washington stands on their problems, instead of being kept guessing two years, as happened in the last two wars. The alliance should also increase international travel, which makes for mutual understanding. Canada should see an increase in American tourists, who like to show themselves neighborly.

* * *

W. W. FOTHERINGHAM, Manager, Canadian Brown Steel Tank Co. Brandon, Man.

The proposed alliance promises a method whereby nations desiring to live in a free democratic world may unite both for their survival against Communism and as a start on an example for what could, in the future, grow into a world union of free nations, democratically governed and maintaining their individuality, while at the same time respecting the rights and privileges of others. The British Empire could serve as a guiding nucleus around which this union may be formed and thereby make its greatest contribution to civilization. Under these circumstances, a comparison could be drawn to a family whose son grows up and marries: the family ties are not necessarily weakened, but rather its sphere of influence is extended.

* * *

WILLIAM GUILD, President, Western Association of Broadcasters, Station CJOC, Lethbridge, Alta.

I can see no way in which alliance with western Europe and the United States should prove harmful to the empire. A democratic alliance should permit each nation to retain its own independent character and complete control of its individual national problems. With co-operation replacing the force used in Russia's eastern alliance, the western group should be stronger and more effective. If alliance of Canada and U. S. with Western Europe can be used to standardize weapons and simplify economic problems, it should be useful in peace as well as war. The greatest need is to sell the plan to the public properly.

* * *

W. S. HENDERSON, President, Union Tractor & Equipment Co., Calgary.

Insofar as Great Britain has already signed the North Atlantic Power Pact, there can be nothing detrimental to the Empire in Canada and the United States as joining in the Alliance. Without Canada and the United States as signatories, the pact would be ineffective, and the British Empire and the democratic world would perish. I feel the scope of the Alliance should be enlarged to include other members of the British Commonwealth and the entire South American continent. The issue is clear, and demands a firm stand by democratic nations. The pact was born in Canada, and is the best hope for empire and world survival. United we stand, divided we fall; and never in the world's history, more so than today.

* * *

GUY JASMIN, Editor, Le Canada, Montreal.

I believe with Sir Alfred Zimmern that the British Empire "Is a new political entity which has come into existence to meet the needs of a new age by the creation of relations looser than those of a confederation, and thus a new term had to be adopted in order to describe it—the term Commonwealth." The new age tends to world government, and the Commonwealth is an admirable pattern for world government.

The Atlantic Alliance of Canada and the United States with western Europe, as proposed by Rt. Hon. Louis St. Laurent, strengthens the Commonwealth in demonstrating once more its suppleness, statesmanship, and perennial adaptability to great circumstances.

* * *

J. A. MANN, K. C., Mann, Lafleur & Brown, Montreal.

As the Empire, apart from colonies, is now constituted of independent self-governing and autonomous countries owing allegiance to one Crown, each is free to strengthen its international prestige and power. As Britain, originally the principal member of the Commonwealth may be included in a western European alliance against the domination of Soviet controlled countries, I believe a Canadian-United States alliance with western Europe to be of great strategic value to a strengthening of the commonwealth as a whole. All non-Communist governments must unite for mutual benefit and protection, for the preservation of their freedom from dictatorship government.

* * *

FATHER ATHOL MURRAY, President, Notre Dame College, Wilcox, Sask.

The proposed alliance by every norm logic, is no detriment to the empire. World security demands a united West. My only criticism here is that an alliance is not enough. What we need is a new Commonwealth on an Anglo-American axis including other democracies in Europe sharing the same philosophy of life as advocated by John Dillon, Irish Minister of Agriculture. It would form a group too strong for any predatory Communism to challenge; a group so rich in resources and high purpose as to make the development of desert places possible, and the rescue of forgotten millions in the Orient, a wealth-creating crusade for a century to come.

* * *

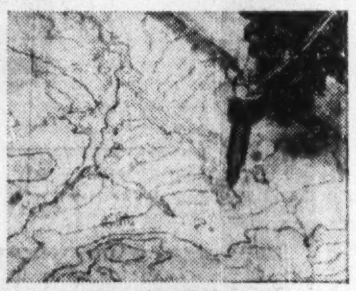
GLADSTONE MURRAY, Publicity Counsel, Toronto.

The proposed Canadian-U. S. alliance with Western Europe is a necessary measure, to meet the menace of Soviet aggression, seeking world domination. The British Commonwealth group, which provides the only enduring inter-continental link, will be strengthened and enlarged as the solid core of the United Nations, once Soviet aggression ceases or is overthrown.

DR. S. H. PRINCE, Professor of Economics and sociology, Dalhousie University.

The proposition could well be turned around, and the problem raised as to how the Empire might fare in the absence of the proposed alliance. In my opinion, in the event of crisis a western union would be vital to the defence of the Empire. In any case, the resultant increase in the economic interdependence of the United States and Canada would enhance the significance of the

(Continued on page 12)



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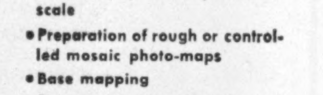

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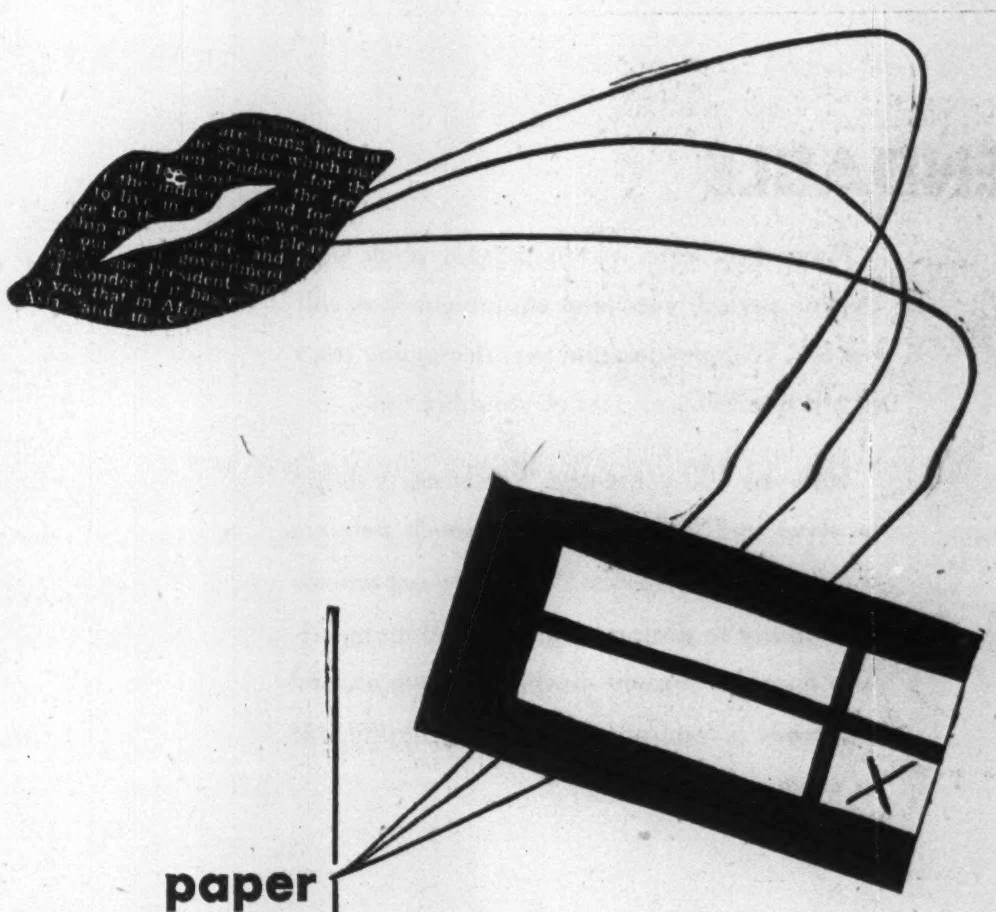

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EDDY QUALITY PAPERS

How Co'y, Union Benefit From Good Labor Relations

U. S. National Planning Association Reports on Relationship at Libbey-Owens-Ford Glass Co. – "Practical Bargain" Basic of Success

The United States National Planning Association has issued the second in a series of 15 case studies of good labor relations in the U. S. The first reviewed Crown Zellerbach and the Pacific Coast pulp and paper industry. The second is a report on Libbey-Owens-Ford Glass Co. and the CIO Glassworkers of America. The union has been in the plant for 15 years.

Major features of the LOF relationship — in which the association committee found significant parallels to its first study of Crown Zellerbach — are:

1. Management believes in the principles and practice of true collective bargaining.
2. The union fully accepts private ownership and operation of the industry.
3. There is a secure, strong, responsible and highly democratic union. Union membership is a condition of employment. (Union shop).
4. There is widespread union-management consultation and a highly developed information sharing. The company uses the union as a principal channel of communication with its employees.
5. Union management relationship is looked upon by the company as an important aspect of its production planning and operation problems and is tackled by operating people as such.
6. Grievances are settled promptly, in the local plant whenever possible. Procedure is flexible and informal.
7. Legalism is shunned. Bargaining is conducted by the principals of both sides.
8. The company stays out of the union's internal affairs and it does not seek to alienate the workers' allegiance and loyalty to the union.
9. Union leaders have not allowed national political issues to become issues in collective bargaining.
10. There have been no serious ideological incompatibilities between the company and union leaders, nor within the union itself.
11. Mutual trust and confidence exists.
12. Plant managers and local union officials are both given responsibility and authority.
13. Day-to-day bargaining at the local plant, rather than at the company-international union level is encouraged.
14. The union recognizes that its survival and the welfare of its members depend upon the successful operation of the business.
15. The company considers the union an asset to management and treats it as such.

Work Financed by J. H. Whitney

The report is the work of a special committee set up to investigate the causes of industrial peace under collective bargaining. It is made up of 28 leaders from business, labor and the professions, headed by Chairman Clinton S. Golden. The committee's three-year project is financed by John Hay Whitney.

Approximately 7,500 hourly paid workers are employed in LOF's eight plants. The company, like the automobile, steel, rubber and other mass-production industries, has had its share of industrial strikes. It has had sitdowns, slowdowns, work stoppages and two costly and prolonged company-wide strikes — one in 1936 and another in 1945. However, the major issues such as union recognition, union security and seniority and industry-wide bargaining were settled earlier.

The significance of the LOF case, the committee believes, is that "the management and the union appear to be moving forward to a stable and constructive relationship. Their experience may be indicative of a trend in the mass-production industry; it may indicate a pattern for the future."

Both the company and the union have benefited economically:

On the company's side:

Since 1931 the company has grown rapidly in constantly increasing volume and efficiency of production, consistently holding its own with its principal competitor both in technology and customers. A substantial part of its earnings have been plowed back into the business. Net worth grew from about $35 millions in 1936 to $45 millions in 1945. In 1947, it earned the highest profit in its history, more than $11 millions, and at the same time spent $9.5 millions for further capital improvement.

On the union's side: Take-home pay has increased with the increase in output and average earnings are somewhat higher than in other mass production industries as well as in other glass plants. In the last 10 years, basic wage rates have almost doubled. Take-home pay has been further increased by incentive earnings. In addition, union contract assures men fair treatment in the handling of lay-offs, promotions, rate setting and grievances.

In balance: Management and the union have felt comparatively secure in the relationship. With this as a foundation they have been able to work out a practical bargain. Management is convinced that it is getting more production; the union, that its members are getting more pay and more security. Both think that the bargaining is "a good deal" and at the same time each is far from completely satisfied.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

UNITED GRAIN GROWERS net profit for year ended July 31, 1948, was up 113%. Net earnings of $1,068,893 were after providing patronage dividends of $250,000. Last fiscal year earnings were $796,561 after patronage dividends of $242,000. Working capital position was up sharply at $2,793,979 ($1,920,208 last year).

CONS. INCOME ACCOUNT

Years Ended July 31:	1948	1947
Net earnings†	$1,068,893	$796,561
Less: Deprec.	504,540	517,263
Bond interest	86,983	59,500
Income tax	190,000	115,000
Add: Asset sale	95,706	74,843
Net profit	383,076	179,641
Less: Divds. & stk. red	178,619	169,003
Surplus for period	204,457	10,638

†After providing patronage dividends of $250,000 in 1948, $242,000 in 1947, which if not paid to patrons will be paid almost entirely as taxes.

	1948	1947
Times Fixed Charges Earned:		
Before deprec.	12.29	13.39
After deprec.	6.49	4.69
Earnings per Share and Dividend Record:		
Cl. "A": Earned	$2.32	$1.27
Paid	1.00	1.00
Cl. "B": Earned*	4.04	0.44
Paid	‡(0.75)	‡

*After cl. "A" stock redemption approp. of $14,385 in 1947.

‡Divd. of 25c appropriated from accounts in each year and set aside for possible future payments; divd. of 75c paid Oct. 1, 1947, from previous years' appropriations.

CONDENSED CONS. BALANCE SHEET

As at July 31:	1948	1947
Cash & Dom. bds.	$1,583,311	$921,842
Accts. rec.	639,132	554,951
Inventories	4,729,795	4,965,780
Total curr. assets	6,952,238	6,442,573
Prep. & def. chgs.§	106,359	127,196
Misc. assets	233,814	290,065
Fixed assets*	6,938,053	5,004,412
Total assets	14,230,464	11,864,246
Due bank	......	365,563
Accts. & tax. pay.	2,005,422	2,024,639
Patronage div. res.	250,000	242,000
Other curr. liab.	1,902,837	1,890,163
Total curr. liab.	4,158,259	4,522,365
Deferred sh. certif.	168,458	......
Funded debt	3,750,000	1,800,000
General reserve	1,647,057	1,647,057
Capital stock	3,570,025	3,092,365
Capital surplus	170,458	170,458
Earned surplus†	766,207	632,001
*After depr. of	7,813,916	7,533,936

†After bond disc. & exp. w/o of $70,251 in 1948; and after adding $3,361 in 1947, excess of divd. prov. over divd. declared.

§Incl. in curr. assets in co's. report.

	1948	1947
Working capital	2,793,979	1,920,208

CARDY CORP. Class A shares have been approved for listing on the Toronto Stock Exchange. The stock was posted for trading on Nov. 2 with ticker abbreviation of "CDY." Cardy Corp. has an authorized capital of 350,000 class A shares of $20 par value each and 350,000 class B shares without par value, of which issued capital is 236,067 class A and 300,000 class B shares.

NICHOLSON MINES has received payment for Dec. 9 underwriting of 200,000 shares at 20 cents a share and Feb. 9 underwriting of 100,000 shares at 25 cents a share. Issued capital is 2,916,805 shares.

Empire Role In Defense

(Continued from page 11)

latter as a bridge country to the great advantage of the Commonwealth. Provided, of course, that there was no weakening of the attachment of Canadians to the Crown which, to a descendant of the United Empire Loyalists would seem to be as unthinkable as it would be illogical in the light of historical experience.

* * *

JACK RATCLIFFE, President, Kamloops Board of Trade.

The opinion generally held here is that the ultimate outcome of this alliance may result in extension of British Commonwealth principles to all free-minded nations of the world. The effect on the Empire should be to increase the supporters of the basic ideals, and the furthering of unity to all peace-loving nations.

New Motorship For S. African Run

Montreal this week was looking forward to the arrival, about Nov. 15, of the motorship Thorshall, first of three sister ships being built in Scotland for the Christensen Canadian South African Line.

The Thorshall, with speed of 15 knots, will make the Montreal-Capetown run in 21 days. There is passenger accommodation for 12. Equipment includes radar, electric winches and windlass, gyro compass, echo sounding, automatic helmsman, radio direction finding and CO_2 fire extinguishing system. Cargo holds are fan-ventilated for carriage of perishable goods.

Kerr Steamships Ltd. of Montreal are general agents for the Christensen Line.

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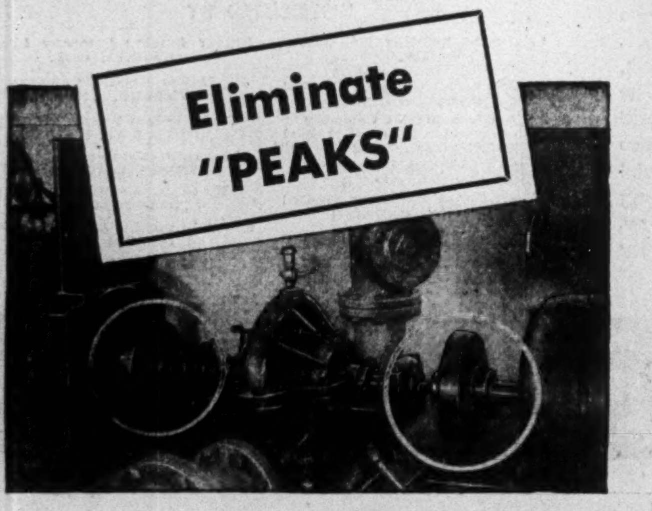

The BLM Clutch permits the load to be brought into motion with a free even acceleration—peak demand is never greater than the normal H.P. demand required to drive load. Illustration shows pump installation with "stand by" power units BLM equipped.

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Now, as 100 years ago, Waterous is ready to serve you with equipment which delivers consistently fine results. The wide experience and ability to design, engineer and manufacture durable, efficient machinery have earned Waterous a reputation for dependability. Let us serve you.

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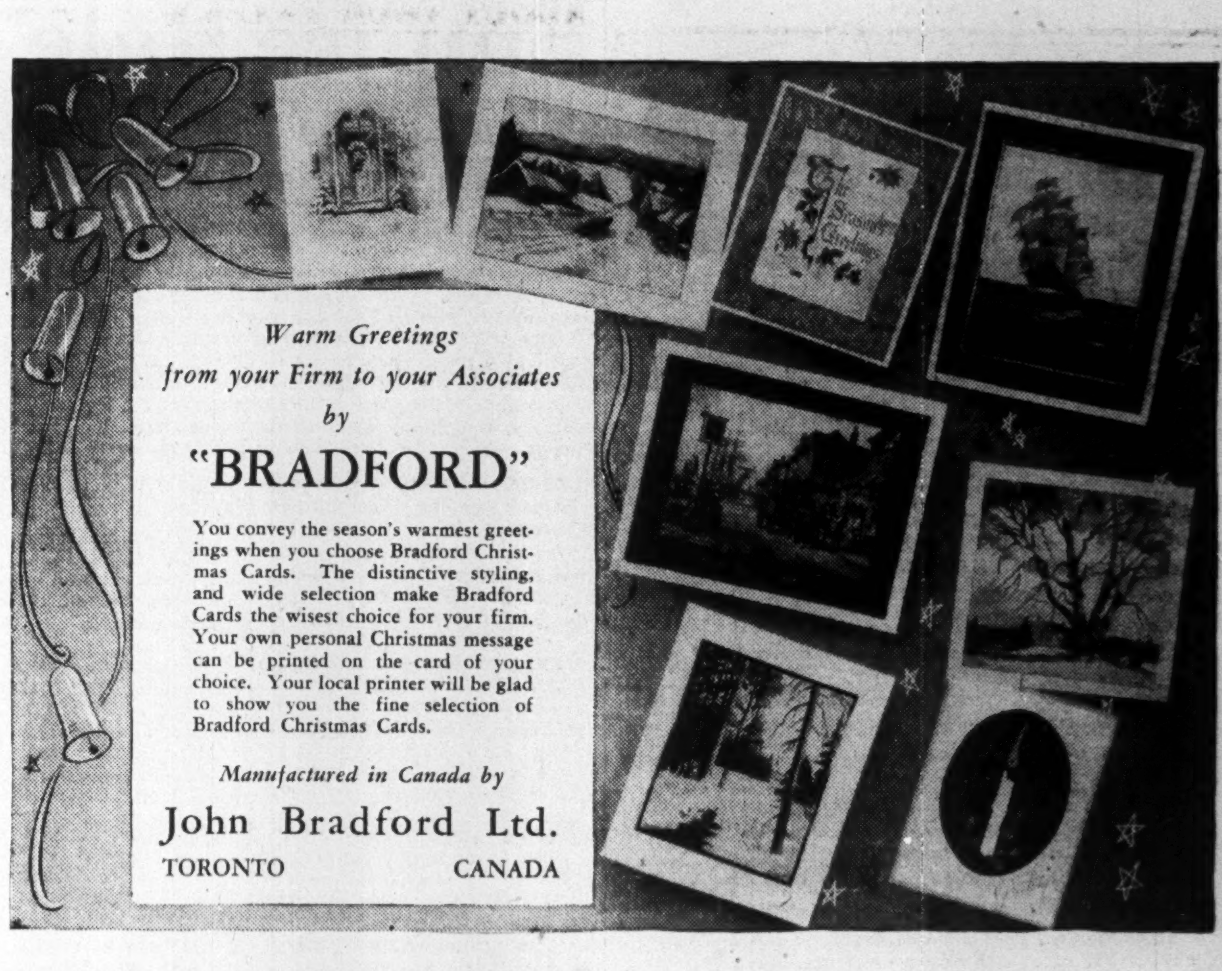

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B/A

COME FREEZE-UP TIME YOU WANT YOUR CAR READY TO FACE THE ELEMENTS . . . CONDITIONED TO CRUISE THROUGH ANY KIND OF WEATHER, TROUBLE-FREE. YOUR B-A DEALER MAKES IT EASY. HE'S READY WITH A 9 POINT CHANGE-OVER SERVICE DESIGNED TO TAKE THE HAZARDS OUT OF FALL AND WINTER DRIVING. HERE'S A ONE-STOP PLAN TO HELP OVERCOME BREAKDOWNS . . . LENGTHEN THE LIFE OF YOUR MOTOR — IN FACT, SAVE YOU MONEY. THIS IS IT!

GET THIS 9 POINT CHANGE-OVER SERVICE NOW!

1. CRANKCASE—Drain, flush and refill with Winter Grade B-A Peerless Motor Oil.
2. CHASSIS—Lubricate all points with quality B-A Lubricants.
3. TRANSMISSION—Drain, flush and refill with Winter Grade B-A Transmission Oil.
4. DIFFERENTIAL—Drain, flush and refill with Winter Grade B-A All-purpose Gear Lube.
5. FRONT WHEEL BEARINGS—Remove, wash and repack.
6. HOSE CONNECTIONS—Check radiator and hose connections.
7. RADIATOR—Drain, flush and refill with anti-freeze.
8. BATTERY—Check voltage and hydrometer readings. Clean and grease terminals.
9. SPARK PLUGS—Remove, clean and regap.

PLUS THESE EXTRA SERVICES:

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ABOUT YOUR TAXES By STUART THOM, LL.B.

Must Pay Tax on Profits Made in '39 Sugar Futures

The judgment of Mr. Justice Thorson, President of the Exchequer Court delivered Oct. 26 and not yet reported holds Atlantic Sugar Refineries Ltd. liable to income tax on profits from sales and purchases in the raw sugar futures market in September and October of 1939.

Faced with rising prices of raw sugar and government control of the sale of refined sugar, the company through its general manager sought to offset anticipated operating losses by speculative market transactions. Profits on these operations in raw sugar futures, amounting to $71,183.09, were added by the assessors to the company's reported income for the year 1939 and on appeal to the Minister the assessment was confirmed on the ground that they were profits within the meaning of the Act.

The relevant provision of the Act is section 3 where income is stated to mean, among other things, "—profits from a trade or commercial or financial or other business—." Liability was disputed on two grounds: first, that the profits were capital gain, and second that they were not made from any trade or business carried on by the company.

There was a third argument which the judge did not answer otherwise than by disregarding it, no doubt because it lacked any basis in law. It was contended, and correctly, that if the company had suffered a loss in its raw sugar futures transactions the loss would not have been allowed as a deduction. Such a principle of mutuality has no recognized place in the administration of the income tax law, which is not to say that it is without merit.

The "Marble Case"

The appellant's argument on the question of capital gain would appear to have been that what it had done was so similar to what had been done in the case of McKinlay vs. H. T. Jenkins & Son Ltd. (1926 10 T.C. 372) that the decision of the English Court in that case, declaring the profit not taxable, should govern.

That case is sometimes referred to as the "marble case." The facts were that the company had sent money to Italy with the intention of using it in due course to buy marble for a building contract it had undertaken. That purpose not being urgent the money was used to speculate in Italian lira and a profit was made. This profit was held not taxable for the reason that it resulted from a temporary investment of idle capital and from a speculation unconnected with the business of the taxpayer.

Mr. Justice Thorson held that the element of speculation by itself is not sufficient to determine whether a transaction is of a capital or revenue nature and on the facts before him regarding the activities of Atlantic Sugar Refineries Ltd. he found that it was not a case of idle capital being temporarily invested in sugar futures. He said "there was in my view nothing of a capital or investment nature in the appellant's transactions."

Acts are Different

On the other point, that the profit was not made in the course of carrying on a trade or business, extensive reference was made to numerous English cases decided under the analogous provision in the English Act. No mention was made, however, of the difference between the words of the English and of the Canadian Acts. There may be a question whether they should be treated as though exactly identical but the judgment carries a definite affirmative implication. It should be noted, however, that the words of the new Income Tax Act are much closer to the English Act than are those of the Income War Tax Act.

The company's argument rested on the contention that "its venture (into sugar futures) was an isolated transaction outside its normal business operations and unconnected therewith."

As to this the judgment says "the fact that a transaction is an isolated one does not exclude it from the category of trading or business transactions of such a nature as to attract income tax to the profit therefrom."

On the facts it was found that the company's actions "were of the same character and nature as trading and business operations as those of its business in its ordinary course" and that the profits were made in the operation of the company's business and hence taxable.

Counsel for the Appellent was Salter Hayden, K.C., of Toronto and counsel for the Minister of National Revenue were R. Forsyth, K.C., and A. A. McGrory of Ottawa.

Calgary Gas Asks Authority To Boost Rates

From Our Own Correspondent

CALGARY — The Calgary Gas Co. has given notice that it will apply to the Public Utilities Board for an unspecified increase in the price of gas to consumers. It cites as a reason, increased prices paid for gas purchased from the Madison Natural Gas Co. Hearing has been set for Jan. 10.

The company has applied for an increase in consumer prices for a number of years. In 1939, when price schedules were revised, rates were lowered and a further reduction was made in 1943. The two reductions, amount to an over-all drop of 17% from prewar prices, officials say.

On Jan. 1, 1947, the Utilities Board authorized producers to increase their price to the gas company from 7¾ cents per 1,000 cubic feet to 9 cents. On Sept. 15 last year producers were permitted a further boost to 10¾ cents.

Domestic consumer gas prices in Calgary are $1.50 for the first 4,000 cubic feet and 25 cents for each additional 1,000 cubic feet.

Cement From UK? Prairies Asking As Work Deferred

From Our Own Correspondent

EDMONTON—In the Canada Cement works at Exshaw, Alberta boasts one of Canada's major (and recently enlarged) plants making Portland cement, a building supply mainstay.

But because of recent upsurge in priorities for cement and other materials,—mainly for hydro-electric and atomic power projects, and re-establishment or improvement of armed depots in line with the democratic world's current rearmament scheme—Canada Cement's deliveries to dealers and ordinary users in the Canadian West have dropped sharply in recent months.

Mainly because of cement shortage, the city of Edmonton will complete only two-thirds of its projected 1948 paving program, according to responsible civic officials.

City officials are investigating possibilities of importing cement from United States and Britain. But price and quantity of available British cement laid down in Edmonton aren't known here yet (DBS reports 28,638 cwt. imported by Canada from Britain in eight months 1948. It values these shipments at $44,472, or about $1.55 per cwt.) And the U.S. product laid down here is $1.80 a bag (weighing just over 100 lb.) because of a 70c per bag freight charge from Vancouver, against the Canada Cement bag, of lesser weight, at $1.10.

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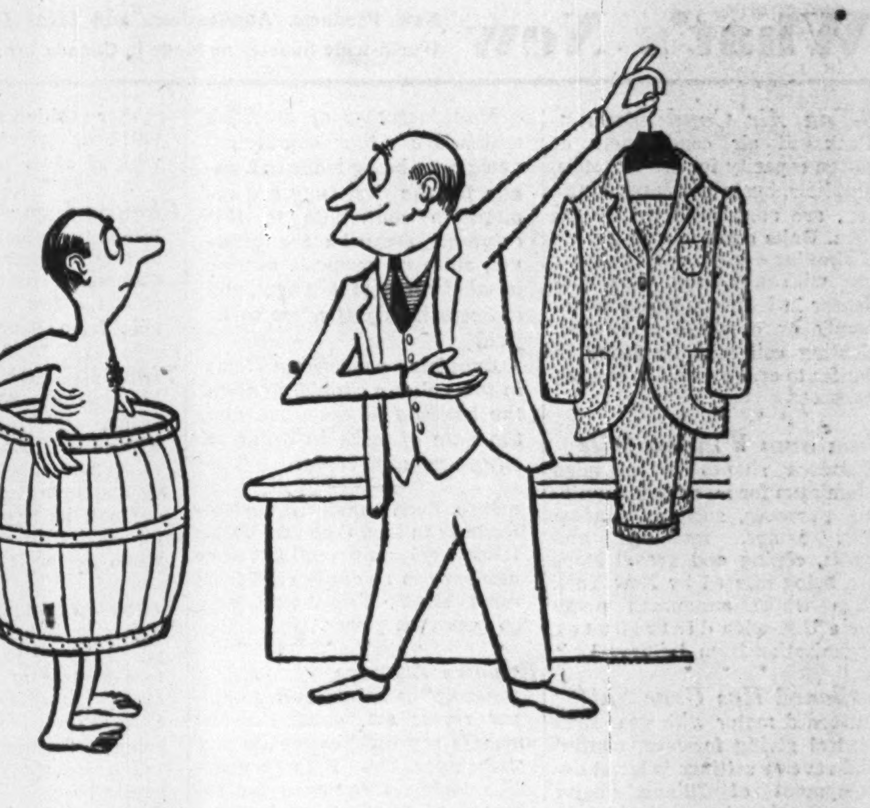

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IN TWO short years we have added over 257,000 telephones, put in hundreds of switchboards and trained thousands of people to extend and improve your telephone service.

We are adding more telephones to meet the continuing demand for service just as fast as equipment becomes available.

All this is being done in the face of rising costs. Yet, up to now, there has been no increase in the basic telephone rates established 21 years ago.

For you, this means greater value than ever before: for us, the satisfaction of providing "the best telephone service at the lowest possible cost".

THE BELL TELEPHONE COMPANY OF CANADA

What's New

New Products, Applications, and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

10-Ton Air Conditioner

Packaged air conditioners of 10-ton capacity for use in hotels, hospitals, business houses, clubs, etc., are announced by Detroit firm. Units come in two models of similiar design, one being for use with a special type condenser in locations where water supply or drainage is limited. Heating coil may be added in winter to convert unit to heating purposes.

• • •

Aluminum Window Sills

Standard shapes in extruded aluminum for many home building purposes, such as window sills, jambs, moldings and stools, coping and gravel stops are being offered by New York firm which announces plans for a U.S.-wide distributor organization from January 1.

• • •

Outboard Has Gear Shift

Outboard motor with gear shift control giving forward, neutral and reverse settings is latest development of Illinois motor firm. Engine has rating of 10 hp at 4,000 rpm, weighs 56 lbs., has 5-gallon gasoline tank which can be hooked up to motor with 12-ft. flexible fuel pipe. Other features of the motor are one-lever speed control, underwater exhaust.

• • •

Seven-Job Sander

Portable electric sander-polisher which can be converted into a grinder, drill, steel wooler, buffer or wire brusher is offered by Michigan firm. Machine operates in horizontal, vertical or overhead positions, comes with 21 accessories.

• • •

Gardeners' Aid

For use by home gardeners, fertilizer distributor with 40-lb hopper which gives measured forced feed from seven dial settings, is now being marketed by Michigan firm. Machine has patented scatterboard for even distribution, direct lever action giving fingertip feed control.

• • •

Preserves Food Longer

Pure aluminum foil, packed in tear-edge box for household use is claimed by Boston makers to lower food costs by preserving food longer, to save scouring of pots and pans.

• • •

Lights House Numbers

Illuminated house numbering device which, when connected to bell circuit, operates 24 hours a day is offered by Toronto maker. Each number is custom-made as to size, type and installation, replaces porch light since number can be easily read from across street. Uses 8-watt lamp so conserves power.

• • •

Repairs Zippers

"Glenzip" is name given to zipper repair set which Chicago makers say quickly repairs any size zipper. Set (of three plier-like tools) is equipped for removal of damaged or jammed side parts, for opening of slide if fabric is caught, for opening new slides to replace damaged slides, for remeshing of zipper, for installing top and bottom slides.

• • •

Plastic Foot Rule

Folding six-foot rule in 12 sections made of plastic and guaranteed accurate to within 1/64 inch in overall length is new product of Newark, N.J. firm. Produced after a year of laboratory tests it has non-removable fused graduations, numerals in heavy back lettering. Rust-resistant steel joints are engineered to tolerance of one-thousandth of an inch.

• • •

Reduces Chain Breaks

New method of fastening roller chain is claimed by Philadelphia makers to reduce plant shutdowns resulting from chain shearing. Fastener has retaining ring with three equally spaced teeth said to maintain a tight groove tension at all times.

• • •

Cuts Driver Fatigue

Driver fatigue and maintenance problems in buses and trucks operating at high speeds are claimed reduced by an improved type of rubber-cushioned propeller shaft box. Unit supports shaft joining transmission to rear axle, consists of a housing, outer and inner rings of which are separated by oil-resistant rubber cushion and self-aligning ball bearing free to move lengthwise in shaft box.

• • •

Cheque Imprinter

Imprinter which enables banks to imprint pocket cheques with customer's name and address within a few minutes is available from Rochester firm.

• • •

Time Recorder System

Master-controlled time recorder system which operates even when current is off is now being offered by Massachussets firm. System operates on alternating current, incorporates accumulator device to permit operation when power is interrupted.

• • •

Transparent Lighter

Cigarette lighter made of transparent lucite which allows user to see state of fuel supply instantly is offered by Chicago firm. Product is available for home or office use in model which incorporates a cigarette box in base.

• • •

Restores Gas Victims

New apparatus for use in industrial plants in treatment of pulmonary trouble following inhalation of certain chemicals, gases and superheated air is announced by Pittsburgh firm. May also be used in emergency cases of asphyxiation.

• • •

Fluorescent Floodlight

Fluorescent floodlight which operates in power interruptions is ofered by Brooklyn firm. Magnetic relay automatically turns on floodlight when power goes off.

B. C. Phone Sees Use Record, Adds 10,263 Phones in 9 Mos.

Although unable to maintain its record 1947 installation rate because of recurring shortages of all types of telephone equipment, B. C. Telephone Co. and its associated companies gained a total of 10,236 instruments in the first nine months of 1948 as compared with a gain of 14,802 telephones in the corresponding period of 1947.

At the same time, held applications for service rose to a new high of over 25,000 at Oct. 1 this year, company officials report. They state that this record demand is due largely to a 27% increase in population since 1941 making British Columbia the fastest-growing province in the Dominion.

During the nine months specified, Vancouver gained 5,227 telephones in the flat rate area, compared with 6,942 in the corresponding period of 1947.

While the installation rate is not expected to set a record in 1948, both local and long distance traffic for the first nine months indicating new highs in usership will be registered for the year. Already local traffic has topped the record 1947 average of 1,194,246 calls per business day throughout the system, with a new mark of 1,261,730 per business day up to Oct. 1 this year. A total of 4,449,138 filed long-distance calls for the first nine months of this year indicates that the grand total for the entire year may top the 1947 grand total of 5,322,265 filed toll calls.

Long-distance calls filed in Vancouver from Jan. 1 to Oct. 1 this year totaled 1,440,000, while the total for the entire 12 months of 1947 was 1,721,724.

Although still major bottlenecks in the company's efforts to wipe out the large waiting list, central office and cable supplies have been at least sufficient to proceed with certain major projects in various parts of the system.

Biggest central office project is current work on the company's new suburban automatic installation, a three-unit dial office known as Cedar-Cherry-Bayview, for final cutover next March. When this new $3 millions office goes into full operation, it will eliminate the Bayview manual exchange, 4,000 telephones of which were cut over to Cedar automatic in November, 1947.

The company's new $1 million William Farrell Building headquarters in downtown Vancouver is partly occupied, floors being made available as they are finished.

Recent outside plant projects featured the laying of the first of two new armored submarine cables designed to provide additional telephone trunks between Vancouver and North and West Vancouver. Fifteen thousand feet of 200-pair cable were laid across Burrard Inlet to double Vancouver-North Vancouver trunk facilities, and a 6,500-foot similar cable will be laid soon from Stanley Park to West Vancouver to double trunks between the city and the west shore.

Operating the largest radio-telephone coastal service in Canada through its associate organization, North-west Telephone Co., B. C. Telephone Co. now serves a total of more than 1,200 ships and land points by this medium, a growth of nearly 300 stations this year.

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310 SPADINA AVENUE, TORONTO
BRANCHES OR AGENCIES IN PRINCIPAL CITIES FROM COAST TO COAST

—Photo by Blank & Stoller

HENRY W. MORGAN

president of Henry Morgan & Co., has been elected a director of Courtaulds (Canada) Ltd.

New Lithium Plant For North. Chem.

From Our Own Correspondent

WINNIPEG—Northern Chemicals Ltd., a division of the Lithium Corp. of America, announces it will start construction of a concentration plant for lithium carbonate next spring at Cat Lake on the Bird River, about 75 miles north of Winnipeg.

The Manitoba Government is building a 20-mile road south from the property to Pointe du Bois on the Winnipeg River. It is expected the road will be completed by early spring. One of the city-owned power plants is at Pointe du Bois and a power line will be built to the location of the deposits.

Canada Will Open Market For Nfl'd

Special Correspondence

ST. JOHN'S—When the present quarter runs out, this country will no longer have to buy certain Canadian foodstuffs under allocation, but will be free to make all purchases in the open market, The Financial Post learns. Canada will stipulate, however, that normally allocated foodstuffs purchased in the open market by Newfoundland firms may not be re-exported from this country.

Main reason for the release of Newfoundland's allocation is the pending union between this country and Canada.

Even as long ago as last year Canada was lenient in the granting of allocations of foodstuffs to this country, due to the possibility of union; and when a Newfoundland trade delegation arrived in Ottawa to negotiate allocations for 1948, it was given pretty much what it wanted.

Under the present system, only importers who bought goods before they were allocated in 1941 are permitted to buy now, and they are restricted as to the amount of their purchases. Any other businessman who wants to buy any of the allocated goods must get them through the privileged few. When the system ends next month there will be a free market, and some trade circles here foresee a scramble to buy goods which are now in somewhat short supply.

Goods affected by the taking off of allocations will be: lard, shortening, tinned and powdered milk, butter, cheese, dried beans and peas, vegetable sandwich spreads, sugar, honey, table syrups, salad dressings and mayonnaise, and processed and unprocessed oats.

Does your office ever look like this?

Phones and doors seem to multiply—when a man starts to dictate to his secretary.

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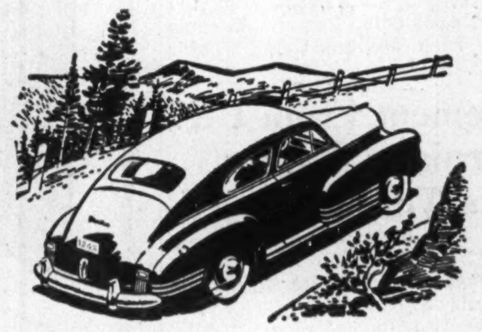
Yes ... Chevrolet alone gives the Big-Car Quality and Big-Car Value that have caused more people to buy Chevrolets than any other car! Chevrolet alone gives these Big-Car Advantages at lowest cost!

More Value in Riding Luxury!

Your own tests will prove that Chevrolet has *more* riding comfort! One reason is Chevrolet's Body by Fisher—better by far. Another, the gliding smoothness of Chevrolet's Unitized Knee-Action . . . *proved and improved* by Chevrolet's experience in building 6,000,000 Knee-Action units in use today. These two great contributions to *riding luxury* are offered only by Chevrolet in its price field!



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The Financial Post

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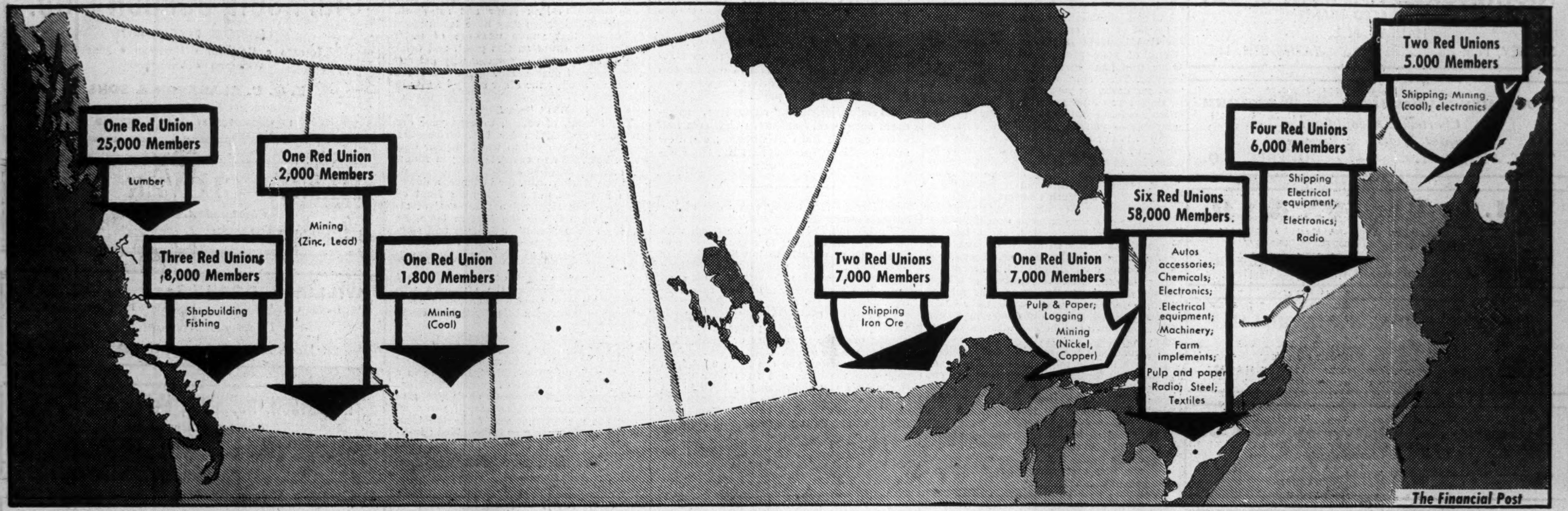
Communist Stranglehold on Our Defenses


One Red Union 25,000 Members
Lumber
Three Red Unions 8,000 Members
Shipbuilding Fishing
One Red Union 2,000 Members
Mining (Zinc, Lead)
One Red Union 1,800 Members
Mining (Coal)
Two Red Unions 7,000 Members
Shipping Iron Ore
One Red Union 7,000 Members
Pulp & Paper; Logging
Mining (Nickel, Copper)
Six Red Unions 58,000 Members
Autos accessories; Chemicals; Electronics; Electrical equipment; Machinery; Farm implements; Pulp and paper Radio; Steel; Textiles
Four Red Unions 6,000 Members
Shipping Electrical equipment, Electronics; Radio
Two Red Unions 5,000 Members
Shipping; Mining (coal); electronics

The Financial Post

Reds Hold Whip on Men In 11 Critical Unions

By RONALD WILLIAMS

Canada's Communists, under cover of their smokescreen of "peace" will in the next few months, intensify their underground operations in basic industries important to defense production.

It is known that key LPP members have been ordered to tear up their cards, forget they ever belonged and concentrate on getting into unions in key industries.

The much-publicized "Program for Peace" (The Financial Post, Nov. 6), while the newest and most important front, is actually secondary in current Red operations, The Post is told. The real goal is to be in a position to control factories and plants which would produce war materials.

In the United States, the plan of campaign is virtually the same. The Communist-run Electrical Workers are making a determined bid to get into U. S. atomic energy plants. Last week, they and other Red-run unions were banned by government action.

In Canada, they are concentrating on industries such as steel, nickel, coal, copper, chemicals, electrical-radar, base metal mining, shipbuilding, lumber, special steels, textiles, auto and auto parts and transportation. (See map above.)

Mining—An Important Sector

Here's what one of the top Communist brass, Stanley B. Ryerson, had to say recently after a tour of the strategically important Sudbury area (85% of the world's nickel):

"Coniston, Copper Cliff, Frood, Falconbridge—a fortress of world monopoly, a major base of the enemies of peace. Our small party there has a very big responsibility. Comrades Al and Mary (Campbell), Charlie McClure and every one of the rest of our workers there, are on an important sector of the front . . ."

". . . an important sector of the front . . ." That's what Ryerson calls the Sudbury district. Last week he was in another key area in Communist plans—Vancouver with its tremendous wartime shipbuilding potential, its important lumber industry and base metal production at Trail.

Despite serious setbacks, Communists still have a stranglehold on 14 Canadian unions. Eleven are in industries vital to defense production or transportation. They give orders to well over 100,000 union rank and file.

If the worst comes to the worst, what would these Soviet-lovers be in a position to do? What industries could they control? What unions do they control? Following is an industry-by-industry survey showing Red infiltration and strength at the present time:

Steel: Communist influence negligible. An alert anti-Communist union, the CIO Steel workers, has virtually eliminated all Red influence. Only two out of the 180 Steel locals in Canada are known to be under Red control. Both are in Hamilton. They involve less than 300 persons. However, the Red smear campaign against the leadership, particularly Director Millard, has been redoubled. The Commies would almost be ready to give away their hammers and sickles for control of the steel union.

Electrical: Almost 100% Communist controlled. Politically, through the Red-run Electrical Workers, the Soviet servants own this vital industry lock stock and barrel. This is the industry that produces radar, electronic equipment, range-sighting devices, electrical equipment for every piece of equipment that turns a wheel. During the war, CGE and others turned their hands to making guns, heavy and light. Today, Director C. S. Jackson and his Red henchmen, still hold their tight grip on the union's 25,000 members. They rule the roost in CGE's big Davenport Works in Toronto (4,000 members); in Peterborough (5,000); Westinghouse at Hamilton (2,500), RCA Victor, Montreal (1,500), their influence is great in the busy Niagara Peninsula area.

Chemicals: Communist influence very great. Through the AFL Chemical Workers (6,000 members) the Reds have power to halt production of chemicals, explosives and synthetic rubber. They run labor in the key North American Cyanamid plants in the Niagara Peninsula. They produce nitrates for explosives. They also have the whip hand in the Polymer Rubber plant at Sarnia, Ont., and chemical plants in Montreal, Quebec and Hamilton. They also have the last say at Toronto Consumer's Gas Co.

Coal: Communist influence slight in Western Canada, more marked in Nova Scotia. In the West, only in the Drumheller area in Alberta have the Reds managed to gain the upper hand. They control about 1,800 miners. In the East, under the leadership of Freeman Jenkins, the United Mineworkers, until recently, religiously followed the party line. Red sympathy is still very evident.

Base Metals: Communists have stranglehold. Nickel, copper, lead and zinc production in Sudbury area and in British Columbia at the mercy of Communist-riddled CIO Mine, Mill and Smelter Union. Workers at Consolidated Mining and Smelter's important operation at Trail, B.C., are answerable to tough Harvey Murphy, a graduate of the Lenin Institute at Moscow. At Sudbury fellow traveler Bob Carlin, the union's boss in Canada, still controls 7,000 miners, despite a revolt against Communist dictatorship. This is the area referred to by LPP Educational Director Stanley Ryerson as "an important sector of the front . . ." By halting production here and at Trail, the Reds could slow down the Western world's economy and cripple defense or war production.

Shipbuilding: 100% Communist controlled on the West coast, partially controlled on the East. The B. C. Shipyard Federation is one of the more blatant Red fronts. During the war, it ran 13,000 shipyard workers, called one disastrous strike before Russia got in the war, took a no-strike pledge after.

The boss is Communist Malcolm MacLeod, former organizer for the Communist Workers' Unity League, later party organizer in the Fraser Valley. His right-hand man was Bill Stewart, a charter member of the LPP.

On the East Coast, Red influence is exerted through J. K. Bell, an official of the Maritime Marine Workers Federation. Bell used to be financial director for the LPP.

Shipping: Communist influence still great. Red domination of the vital inland shipping lanes has been broken. However, the strike of the Red-run Canadian Seamen's Union still has an important nuisance value. Deep-sea shipping on East and West coasts still dancing to Red tune.

In Vancouver, CSU boss is James Thompson, former LPP candidate. Right-hand man, J. M. "Digger" Smith, another Red. East Coast operations are pretty well run by CSU top leadership in Montreal. Control of shipping is perhaps the Red's most significant achievement. It puts them in a position of being able to halt shipments to Europe; tangle up vital Great Lakes transport.

Autos: Communist influence waning but still dangerous. Despite the anti-Communist revolt within the CIO Auto Workers which has cleaned Reds out of top leadership positions, Commie influence is still very great.

They still run the union (10,000 members) in the biggest auto plant in the British Empire (Ford at Windsor). They have a lot to say in the 2,600-member local at McKinnon Industries, St. Catharines. They have more to say in both Massey-Harris plants at Toronto and Brantford (6,500 members).

Logging: Communist influence 100%. On the West coast, the Reds recently bolted from the CIO International Woodworkers and formed their own union. It still isn't clear just how many of the 25,000 loggers went along. Before the break, they just about did as they pleased with this vitally important B. C. industry. Leadership was passed back and forth between Communists Harold Pritchett, Nigel Morgan and Ernie Dalskog. All are LPP officials.

In Ontario, the Communist AFL Lumber and Sawmill Union has the entire pulp and paper industry in the palm of its hand. This industry is the main supplier of newsprint and other critical products for the U. S. and Canada. Present membership is around 7,000. Leaders are Communist Bruce Magnusson, Jack Quinn, A. T. Hill, Harry Raketti, all party officials.

Seeking Defense Orders? Call Bill Low

Anything From Boots To Warships

May Be On Super-Shopper's List

By KENNETH R. WILSON

OTTAWA (Staff)—Whether Canada needs guns or butter—or both—the Canadian Commercial Corporation will buy it.

CCC is Canada's unique, versatile central purchasing organization. It once bought 12,000 one-day-old chicks, carrying them by truck to Buffalo, by express to Newport News and by air to Poland.

It is as much at home placing orders for $70 millions of ships (which it did for the French Government) as it is buying horsemeat or sardines for UNRRA or bagpipes for Canadian Scottish regiments.

Last year it contracted for the fabrication and erection of all the booths and equipment at the International Trade Fair.

Presently it is busy buying and receiving some 15 million pounds of butter for eventual distribution to Canadian housewives.

In the days ahead the emphasis likely will be heavier on guns in CCC business and it has been the Corporation's chief continuing responsibility since February, 1947, as centralized purchasing agency for the Department of National Defense.

In the 12 months ended last March it placed 45,000 DND contracts with a total value of $82 millions. In 1949, it is most likely this business will increase substantially as Canada undertakes her new postwar defense program.

CCC was originally set up to act as a procurement agency in Canada for foreign governments and governmental agencies. Another job has been to assist Canadian importers in buying and selling abroad.

It inherited the functions of the Canadian Export Board which meant acting as procurement agency for UNRRA, for the Canadian Mutual Air Board and a number of foreign governments.

Last year it did $170 millions of business. The year before its purchases for Canadian and foreign governments ran well over the $200 million mark. Total volume of business since it hung out its shingle in May, 1946, is $430 millions.

Earner of U. S. Dollars

One of its most interesting and useful jobs in recent months was a $5 million clothing deal negotiated for the United States on behalf of Greece.

The deal started back in March of this year with a request from the U. S. Government for a rush order of British-type army clothing.

They asked W. D. ("Bill") Low, managing director of CCC, how much could be bought in Canada and how fast.

The answers weren't very satisfactory. Army clothing hadn't been made in quantity in Canada for some time, and it was hard to know how long it would take to get tenders out and make sure that cloth and other materials would be available in the required quantities.

Then Managing Director Low thought: why not sell from existing stocks of Canadian Army equipment and replace them with new?

The Canadian Army had already been considering a new uniform. There would be no great risk in liquidating existing stocks and thus speeding up by months or perhaps years, replacement with new styles and fabrics.

Born Out of Bren Bungling

The deal worked like clockwork. The Canadian battledress turned out to be exactly what was wanted. In a very short time, CCC's quartermaster staff was baling 137,000 battledress blouses and 175,000 pairs of trousers for Greece. As well, we sold 4,000 field service caps, 81,000 greatcoats and 200,000 woolen vests. Several thousand RCAF battledress, caps and greatcoats were made available.

Everyone seems very happy about the deal.

The Greeks got their uniforms in jig time. American purchasing authorities were delighted. Canada got an unexpected windfall of $5.4 millions in U. S. funds. And the Canadian army is now on its way to getting a new, streamlined version of battledress.

The idea of a centralized purchasing agency for all armed forces was Canada's unique contribution to wartime efficiency in World War II. Out of the bungling which led to the Bren gun investigation, Canada centralized all defense purchasing in one ministry.

Later known as the Department of Munitions and Supply, an organization was developed which assumed responsibility for over $11 billions of production, contracts, construction, etc., in the period 1939 to 1945.

It was Managing Director Low who pioneered (in Canada) this idea of a central buying office.

Bill Low came to Ottawa in July, 1939, on loan from the purchasing division of Canadian National Railways. His job was to help set up the original Defense Purchasing Board.

This was the agency which later blossomed into a full-grown department of government under Rt. Hon. C. D. Howe—the Department of Munitions and Supply.

Thus for almost a decade Bill Low has been Canada's super-shopper. When DMS was formed in June, 1940, he was named executive assistant to the Deputy Minister with supervision of all purchasing for that department.

Later he became chairman of the Canadian Export Board, the agency which handled nearly $400 millions of purchasing for French, Belgian, Dutch and other foreign governments as well as the huge and diversified UNRRA program.

Low is 47, was born in Newcastle-on-Tyne of Scottish parents and educated in Aberdeen. He came to Canada at 14 and a year later wangled himself into the Canadian Army.

Future Rests With Parliament

After various postwar jobs in Montreal and Western Canada he went to CNR in 1923 in its purchasing department. He was the railway's buyer in Montreal when he was called to Ottawa in 1939.

He finally quit CNR after the war, having accepted the chairmanship of the Canadian Export Board. He was awarded an O.B.E. in 1946.

In May, 1946, the work and function of the Canadian Export Board were transferred to the new corporation. The Board had operated under wartime order-in-council. The CCC was set up by Act of Parliament.

But CCC is not as yet a permanent organization. Its Act of incorporation presently extends only 60 days after commencement of the first session of Parliament beginning in January, 1949. A new bill (to be presented at the next session) aims to remove this limitation and put CCC on a more permanent basis.

Chief reason to justify this move lies in the decision, made in February, 1947, to make CCC the continuing channel for all purchasing for Canada's three services.

From that date, under PC 314, there was transferred to the Minister of Trade and Commerce the power and authority for procurement of war equipment and supplies which had formerly rested in the Department of Munitions and Supply and had been taken over by the Department of Reconstruction and Supply. The transfer also included authority to construct or carry out projects required by the Department of National Defense.

As now constituted, CCC is in effect the agent of the Minister of Trade and Commerce in procurement for DND. Mr. Howe (or whoever is Minister of Trade and Commerce) is the responsible purchasing authority. He in turn vests this authority in CCC as his "agent."

What happens when the Army needs 10,000 pairs of boots or the Navy a new battleship?

A requisition is made out in the appropriate branch of DND and signed by an authorized officer. It is then referred to a Treasury officer for a "financial encumbrance" number, and signature.

That means that the Treasury has approved and has guaranteed that when the requisition is duly filled, the money will be there to pay the bills. All purchases between $5,000 and $15,000 must be reported to Privy Council after the orders are placed. All transactions in excess of $15,000 must be submitted to the governor-in-council for approval before any business can be transacted.

Lowest Bidder Gets Job

These requisitions, in the first stage, are addressed to the Minister of Trade and Commerce. In fact, they are sent to No. 2 Temporary Building at 70 Lyons St., Ottawa, where CCC has its head office.

In all cases where it is possible to do so, sealed tenders are invited. The lowest bidder gets the job if he can supply the required quantities. If the whole job can't be filled by the lowest bidder the next highest gets what is left of the business, and so forth.

Just what role CCC will play in Canada's stepped-up 1949 rearmament and defense program isn't quite clear. This is because of the possibility that what lies ahead within the next few months, is some new and unprecedented "peacetime" machinery for production and exchange of weapons and equipment between Canada and the United States (see separate story page one.

Canada is expected to place orders in United States for heavy and expensive equipment such as tanks, anti-aircraft guns and so forth. In return, Canada hopes to manufacture for United States, parts and other supplies which that country needs and which will provide some of the U. S. dollars to pay for our new equipment.

As well, there is expected to be a very substantial transfer of existing equipment to Europe as Canada's contribution to a proposed North American Lend-Lease program.

It is too early to know just how CCC will fit into this new picture. The answer may depend in part on what new Cabinet or administrative machinery is set up in Ottawa to fight the continuing battle of the "cold war."

Certainly CCC with its established offices in Washington and London (as well as in eight key cities in Canada) and its worldwide trade and sales connections, especially in Europe, is in an excellent position to be of assistance.

Any 'Lost' Stocks In Your Attic?

By W. L. DACK

Are you one of the 15,000 lost shareholders of Canadian dividend-paying companies? Now is the time to check those old stock certificates in the trunk in the attic. The search might pay off in dividend nest-eggs.

A Financial Post survey of dividend-dispersing departments of several large Canadian trust companies revealed well over $250,000 in unclaimed dividends. The lost shareholder balances run all the way from 50c to $100 and represent dividend payments stretching over periods of from one to 15 years.

One large Canadian company on the West coast, which just got into the dividend-paying class last year, has been unable to locate 2,000 of its shareholders. Two out of every five dividend cheques mailed came back marked "not known at this address." Another company is carrying close to $20,000 on the liability side of its balance sheet for unclaimed dividends.

The phantom balances are a triple headache. The dividend-paying company must set aside in a liability reserve sufficient sums each year to meet all outstanding and unclaimed dividends. The trust companies, having the job of distributing the dividends, spend valuable time and effort trying to track down the lost shareholder. Ottawa loses out in income tax payments. All three are happy when the claimant turns up. Ottawa alone asks questions about "the intervening years."

"It's amazing how careless some people are about their investments," a trust official told The Post. "Hundreds of shareholders don't even know the name of the company they are investing in, let alone whether that company has ever paid dividends."

Contrary to popular belief, women are not the worst offenders; the ratio of lost shareholders works out at two women to three men.

Number of unclaimed dividends always mounts up in periods of high-industrial earnings as at present, when many companies either start payments for the first time or resume dividends after a period of some years. Shareholders, unaware of the dividend windfall awaiting them, don't bother notifying the operating or trust companies of their change of address.

How "Absentees" Accumulate

A beneficiary's, or estate administrator's ignorance of stock value, on death of shareholder, is another big reason for untraced shareholders. Widows have a habit of putting stock certificates away in an old trunk and when they move to a new address they go on the list of lost and missing. Sometimes the winding up of an estate might stretch over a number of years. Dividends accumulate in the meantime.

Closing of brokerage houses generally lengthen the untraced list. When shareholders have stock in the form of street certificates, dividends are paid into brokerage house account. Sometimes records "are lost" when brokerage house goes out of business. In the absence of brokerage house shareholder lists, dividends may keep accumulating in the name of the defunct brokerage firm.

Short of putting personal investigators on the trail, Canadian trust companies try every means of tracing the lost shareholder (personal investigator system is used in many cases in the U. S.). If first dividend cheque comes back unclaimed, a followup is made through the brokerage firm who originally sold the stock. A check-up is also made with the operating company, particularly to see if proxies were received from the untraced shareholder at fiscal year end. At the same time, of course, notations are entered in trust company ledger account to watch for change of address.

According to law, dividend-paying companies may reclaim the untaken dividends at the end of seven successive years. There is no record, however, of any company ever taking advantage of this ruling. A shareholder is practically certain of getting his back dividends (when claimed) as long as the company is in existence.

Recently several smaller base-metal mining companies went into the dividend-paying class for the first time in many years. The flow of returned dividend cheques is heavy. Trust officials say, "This is nothing. Wait until the gold mining industry comes back into its own. We'll likely have to get special files to accommodate the list of lost shareholders."

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How To Make Your Business Grow—VIII

Check Business Methods Before Changing Them; Trade Journals and Customers Are Leading Aids

By J. K. EDMONDS

Once you've decided the size of business you might get, you're finally ready to collect ideas on how you might get it. This is the stage where brooding over your own and other people's figures isn't enough. You'll have to get other people's views.

The view you are most interested in is that of the consumer. Ultimately, your object is to sell your merchandise or your services to a lot of men and women. The most important business fact of all is what they think of your products, your personality, your premises, your sales technique, your service. Their opinions, translated into dollars and cents, are your sales.

Before you alter your business methods—even before you expand your present methods — you'll want to know, as accurately as possible, what your customers think of those methods. You'll want to be sure, before you make any moves, that your customers keep coming because of your pet merchandising ideas, not in spite of them.

Too Much Comfort

There was the case, not so long ago, of the proprietor of a shoe store in a medium-sized Ontario town. He invested, about 1938, in a set of customers' fitting chairs that were supposed to be super-de-luxe. They were deep and spongy and designed, the manufacturer claimed, to fit the customer as closely as the shoe he was trying on. The relaxed attitude induced by the comfortable chair, it was claimed, put the customer in a good frame of mind and helped make a sale in record time.

The merchant was so sold on these chairs that they became the apple of his eye, and he was heartbroken when, toward the end of the war, he had a fire in which his precious chairs were destroyed. They were adequately covered by insurance, but they couldn't be replaced due to war conditions, and he had to install conventional plastic-leather tubular models. The day after the new chairs were installed, a customer of long standing came in to be fitted for a new pair of shoes.

"Sorry to hear of your fire, Charlie," he said, as he sat down, "but I sure am glad you got rid of those trick chairs of yours. I kept on buying my shoes here because you always give me such a good fit; but every time I sank down into one of those things I wondered if you'd need your shoe horn to get me out again."

After this astonishing revelation, the merchant made discreet inquiries among his other customers. Sure enough, that was the general opinion. His sales had been made by his own skill, in spite of the chairs, not because they had induced a receptive frame of mind in his clients.

Listen to Customers, Wife

Before you alter business methods, or expand present ones, find out what your customers think of what you're doing now.

Small businessmen can talk to their customers every day, get their reactions, and adjust policies and practices quickly to meet changing conditions.

You'll want to keep your eye on competitors, but not follow them slavishly. The man who comes out on top in a business race is often the one who runs counter to the pack.

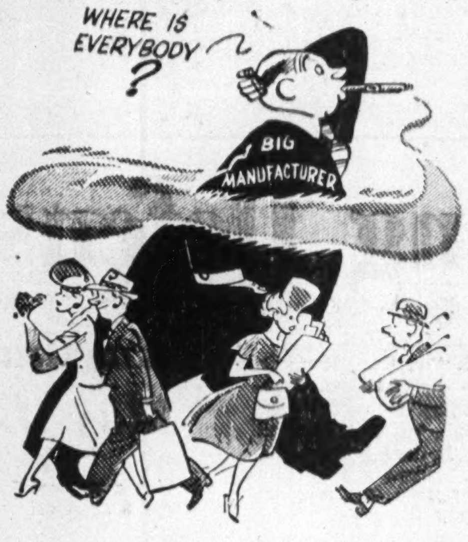
Trade journals, customers, salesmen, suppliers, bankers, neighbors and wives can all help in working out new merchandising plans. But the final decision must be your own.

If you're a small businessman, especially in the retail or service field, direct contact with the consumer is one inestimable advantage you have over your larger competitor. In all likelihood, you live among your customers, and carry on much the same kind of life that they live. In any case, you see them face to face nearly every day of the business week.

The big industrialist may lose touch with the people he's trying to reach. He has to hire corps of experts to tell him what his customers are like; what they're thinking and saying about his products and his company; how they might react to a new venture.

You can get the same results — and get a complete picture while you're at it — by leaning over the back fence or inviting the neighbors in for a chat.

For that matter, you can learn a lot from your own reactions, and from your wife's. If she tells you she's going to have to cut down on baking because shortening's too expensive, don't just grunt. Remember what that can do to your flavoring business, in view of the likelihood that hundreds of other housewives are saying the same thing at the same time to hundreds of other husbands.



The big industrialist may lose touch with the people he's trying to reach.

Besides the method of direct contact, you can get a consumer's-eye view of your business in more roundabout ways. For instance, if you're operating a retail store, the paint job and decorating of your premises may have begun to look seedy and run-down. Yet the deterioration may have taken place so slowly that you're unaware of it. If you want to check on this point, and don't like to query your customers, why not ask a friendly traveler how your paint-job stacks up against the other stores he sees in his rounds?

Don't Be a Sheep

You'll want, of course, to keep your eye on your competitors for business-boosting schemes you can put to work in your own store. That isn't to suggest that you follow your competitors like a sheep.

In one western city, for instance, a downtown merchant put a black glass front on his store and attracted a great deal of attention, since it was the first in town. As rapidly as possible, his neighbors and competitors followed suit, until there was a rash of black glass all over the business district.

The man who came out on top in that race for business was the merchant who covered his store front with glittering white stucco and installed a brightly lighted clear-view window.

Study Trade Journals

Reading the trade journals with your own business situation in mind is an excellent way to pick up growth ideas, but once in a while the same problem of "parroting" arises. When you consider someone else's idea, give it some extra thought, and see if you can't work out a twist that will make the technique your own and give it the added advantage of being hand-tailored to your community.

If you're in the market for business-boosting ideas, don't hesitate to consult your bank, your suppliers, and other business friends. Everyone loves giving advice, and your banker and wholesaler, for instance, have a stake in your prosperity that will make them really interested in helping you work out new approaches to your merchandising problems.

Chances are that many of the ideas you get this way will turn out to be impossible for some practical reason, but they'll at least stimulate your own thinking; and if even one idea pays off, a lot of conversation is justified.

When you've gathered together the ideas that you can glean from all these sources, though, you'll have to make up your own mind whether they're worth considering. Only you can know all the circumstances of your business; it's your business reputation and your capital that's risked in any expansion plans. You can get all the advice you like, but your decision is what matters in the end.

'More Housing' Edmonton Cry

From Our Own Correspondent

EDMONTON — City Commissioners have allocated 1,400 serviced house-building lots for 1949 construction outside of the Ottawa-sponsored rental building program. Two thirds, or close to 1,000 of the 1,400 are for builders-for-sale under Central Mortgage & Housing Corp's "Integrated" program, according to H. W. Hignett, prairie regional director of CHC.

Edmonton Home Builders' Association had urged the city to set aside 3,000 serviced lots for the 1949 season, including 1,000 for "Integrated," 1,500 for other NHA-financed and privately built houses, and 500, if available for Dominion-municipal low-rent units.

The Association also, in company with other local components of the National House Builders' Association, continues to press Ottawa and NHA-approved lending companies for a lower down payment to aid prospective buyers in the low-income small-savings bracket, and thus reduce pressure for subsidized rental housing.

Emergency Shelter, New Style

Desperate for housing of any kind to accommodate rapid growth in population, city council at a recent special meeting approved in general principle a substandard "garage type" dwelling for certain city-owned outer zone areas. The principle was adopted as a temporary three-year measure under which the city would lease, **not sell,** the land on a three-year term for a nominal ground rental of $2 or $3 a month.

Lots would be 33 to 40 ft. wide. Frame buildings about 12 by 22 feet would cost about $300 if the land tenants did their own building, or $450 if they had builders erect the "shelters," it was said. The new regulations, if and when approved in detail, will affect two types of applicant families: 1. Building or about to build a permanent house, and to live in the "shelter" only until the house is completed (when the shelter could be used or sold as a garage); and 2. Planning to make an emergency shelter the nucleus of a permanent home, adding approved extensions and improvements fairly rapidly up to ordinary building bylaw standards.

CITY OF NIAGARA FALLS, Ont., sold an issue of $151,928.18 of 3% and 3½% debentures, maturing in 5, 10 and 15 installments, to J. L. Graham & Co., and Harrison & Co., at a price of $101.098. Proceeds are for sewer construction, library addition, cemetery, removal of streetcar tracks and wartime housing services.

RCAF Buys 'Packaged' Houses For Big Newfoundland Base

MONTREAL — The Royal Canadian Air Force has bought 50 "packaged" houses for its base at Goose Bay, Labrador.

Precut by J. & D. A. Harquail, Chatham, N. B., and to Peerless Housing Corp. design, each house was packaged as a complete unit before shipment. They are six-room houses of five contrasting types. Structural members are precut and numbered to match an erection plan. Wall siding and roof covering parts also are numbered. Doors and windows with frames and hardware are ready to install. Heating ducts are fabricated ready for installation.

Asphalt shingles for the roof are bundled in the "package," with color patterned to contrast with the house next door (a planned variety of roof colors for a row of houses).

Harold J. Doran, Montreal architect on the project, reports that basements are dug by power shovel or dragline. Then re-usable forms, factory precut and assembled, are placed for pouring of foundation concrete. Foundation and erection work is being done by Terminal Construction Co. of Moncton and Montreal.

Construction men on the Goose Bay air force housing project are keen about its possibilities for general application. They say a minimum of 200 houses in one development would make the Peerless-Harquail type of precut house an economical venture in an average Canadian city, with a finished price below the market for houses built by ordinary methods.

POWELL ROUYN GOLD MINES reports a profit of $27,479 in three months ended Sept. 30 ($19,120 operating loss in previous quarter), including benefits under cost aid. The Powell mill was placed in operation in mid-July and up until end of quarter 16,329 tons of ore were treated with proceeds of bullion totaling $62,202. The Noranda smelter treated 24,141 tons and net revenue, including special silica allowance, amounted to $113,092. Shipments of ore from Donalda Mines and Anglo Rouyn Mines at a total rate of approximately 400 tons were expected to start before end of October, President L. M. Keachie stated.

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Calgary Builder In Double Trouble With Buyers, Taxes

From Our Own Correspondent

CALGARY—Bow River Construction Co., already involved in building contract trouble—an "Integrated" housing development on Calgary's North Hill which has blown up in the face of 40 purchasers (The Financial Post, Oct. 16 and 23)—now faces an income tax charge for neglecting to remit $3,819 in employee deductions between January and June.

The charge appeared on the Calgary police court docket recently and the case was adjourned at the request of Harold W. Riley, special prosecutor. Principal officers in the construction company are Charles Orr, Calgary taxi company owner who entered the building business with James Edwards, former Calgary alderman and one-time police officer.

The 40-house project was financed under the National Housing Act jointly by Manufacturers Life and Ottawa's Central Mortgage & Housing Corp., both of which have denied legal responsibility for completion of the houses. On their behalf, Burnet, Heseltine & McNeill in a recent letter to purchasers said: "Bow River (construction co.) is solely responsible for completion. The fact that construction of the house has not been completed places our clients under no obligation to you . . . While construction ceased several months ago, Bow River has not to this date stated to our clients that it has or has not the intention or ability to complete the construction."

In addressing 30 of the 40 buyers, Charles Orr, company president, said his firm had been "started on a shoestring" and that he could not see his way clear to completing the project. "My hands are tied," he said.

Calgary city council has agreed to investigate, but has received the city solicitor's opinion that responsibility for alleged inferior construction does not rest with the city building inspector's department, nor is the city responsible in any way.

NEW PACALTA OILS CO. option to Romaine Management on 800,000 shares at 10 to 20 cents has been cancelled. By resolution of directors 300,000 shares have been sold to George Scott, Toronto, at 7½ cents a share, payable $7,500 cash, $7,500 in one month and $7,500 in two months. One million shares have been optioned in five blocks of 200,000 shares each at 10 to 20 cents. Upon issue of the first block underwritten, issued capital will be 2,568,525 shares.

NEW NORZONE MINES has purchased from Douglas S. Baird, Toronto, six mining claims contiguous to its present holdings in Montbeillard twp., for 300,000 shares.

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OIL PRODUCTION

Famed Wildcatter Plans Alta. Oil Exploration

From Our Own Correspondent

CALGARY—Mike Benedum, 79-year-old oilman of Pittsburgh and for many years "the world oil industry's most fabulous wildcatter," is coming into Alberta for a large scale exploration program. Initial operations will be on 493,440 acres of crown reservations in the Christina River region of northeastern Alberta.

The five reservations involved form a 42-mile long block, up to 24 miles wide, straddling Christina River about 160 miles northeast of Edmonton. One reservation is in the name of Central Leduc Oils, with two each in the names of John F. Hardy and Basil H. Lucas. The block is virgin, unsurveyed territory stretching from Townships 76 to 82, Ranges 8 to 11 west of the fourth meridian. It lies within the vast oval of crown reservations straddling the Athabaska River and Northern Alberta Railway being explored by Bear Oil Co., new combination of seven American and Canadian oil firms.

The Benedum interests plan a thorough geological and geophysical investigation of the big acreage block, with exporatory drilling to be undertaken where findings warrant. The cost will be borne entirely by the Benedum group.

• • •

Central Leduc Gets Interest

Central Leduc Oils — benefiting through the part Art Mewburn and Neil McQueen played in bringing Mike Benedum in—will be carried by the Pittsburgh explorers for a full one-eighth interest. That interest will be carried through the investigation of and drilling of one exploratory well on each of the five tracts, provided that drilling is warranted. Thereafter, Benedum will provide seven-eighths of costs and Central Leduc one-eighth of costs of development. If discovery results, benefits will be shared on that basis.

Just what form initial exploration will take hasn't yet been decided, but it is intended to get work under way with the minimum of delay.

Central Leduc Oils retains its own a 40,000 acre crown reservation north of Lac la Biche and 30 miles south of the Benedum block. That Calgary independent, which made its start last year at Leduc, is continuing a development program there.

• • •

New Cretaceous Success

A lower Cretaceous oilfield, about two miles northeast of Leduc's Devonian Oilfield and 2½ miles east of Woodbend's Devonian Oilfield, became a reality this week. Drillstem tests brought flows of oil to the surface at two follow-up wells to Continental Oil of Canada's Leduc No. 3 Lower Cretaceous discovery and a half mile east of that discovery. Central Leduc No. 6 and Continental Leduc Woodbend No. 4, the two completions have both set production string of casing and are currently standing cemented, preliminary to placing on production.

• • •

Leduc Test For Mercury

This week Mercury Oils, old timer Turner Valley producing company of Calgary, arranged for immediate drilling of an exploratory test about five miles east of the present Leduc oifield producing limits and 1¾ miles due north of Nisku railway point. The new venture Mercury-Leduc No. 1, will be drilled immediately and will affect holdings of more than a dozen independent and major concerns which are in that vicinity. Mercury is the sponsor and principal owner of the well, while partners include Pacific Western Oil Corp., Mill City Petroleums and Gas & Oil Refineries, Imperial Oil, largest single holder of oil rights in the Nisku area, has agreed to pay $10,000 "dry hole money," payable in the event of failure at the Mercury well.

• • •

Imperial Extends Work

Imperial Oil has further speeded up its exploration and oil development program by the staking of two more wildcats in the Alberta Basin. Imperial Pigeon Lake No. 1 wildcat has been staked about 45 miles southwest of Edmonton, 25 miles southwest of the Leduc oilfield, and six miles northwest of big Pigeon Lake. The other wildcat, Vimy No. 1, is about 27 miles due north of Edmonton. Vimy was spudded in by one of Imperial's own rigs, and is currently drilling below 925 feet.

In terms of drilling rigs engaged, Imperial Oil has recorded a 900% increase since its discovery of Leduc in February of last year. At that time Imperial had a total of 4 rigs in operation in Alberta, out of a total of 20 rigs for all companies in the province. Today, Imperial alone has 38 drilling rigs on location or moving in. In addition, Imperial is busy refitting Emsco rotary rigs recently brought down from Norman Wells, where they were used during the wartime North Canada oil program. These rigs will also go to work in Alberta soon.

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Sells Retail Stock

I am contemplating selling my retail drygoods stock and store fixtures, and would like some information on the following points.

1. My inventory is taken at laid-down cost. If stock is sold at a premium on the dollar, will this premium be assessable as income?

2. My fixtures are carried on the books at a nominal figure (about $20) after having been written off over a period of years. If these are sold at, say $1,000, is the difference likely to be regarded as taxable income?

3. If merchandise stock is sold at cost, and goodwill of the business is sold for a lump sum of $2,000, is this $2,000 taxable as income or is it regarded as capital gain?

1. Yes. Profit on stock is considered taxable income.

2. No. Any money received for fixtures is considered capital gain and not taxable, we are told.

3. Normally goodwill is regarded as a capital asset and if sold proceeds are not taxable. But if the taxpayer claims the stock was sold at cost price, which would be considered very unlikely these times, the income tax department might suspect that the goodwill item included some profit on the stock. They would have to be satisfied on this point, before allowing it to go tax-free.

INVESTMENTS

Brandram-Henderson

Please give me a brief review of the earnings position of Brandram-Henderson Ltd. What is the present capitalization of the company?

Capitalization of the company consists of $150,000 4% serial bonds due June 1, 1949 to 1954-$550,000 4% sinking fund bonds due June 1, 1961; $400,000 5% debentures due Oct. 1, 1963, and 50,000 no par value common shares. Interest on funded debt, which did not include the recently issued debentures, was earned 12.46 times after depreciation in 1947 fiscal year, 11.41 times in the 1946 fiscal year. Earnings per share for those years were $3.05 and $1.38 respectively.

There has been some leveling off in demand for the company's products recently, and somewhat lower earnings are expected to be shown for the fiscal year ended Sept. 30, 1948, according to the company. Issuance of the 5% debentures means an additional $20,000 charge on earnings this coming year.

On the basis of earnings for the 1946-47 fiscal year, common shares at $15 are selling at approximately 4.9 times earnings. Although shares selling at 5 to 10 times earnings are generally considered as reasonably valued, it should be pointed out that this price is over 11 times 1945-46 earnings of $1.38 per share.

Earlier this year, President Norman Holland stated that increased inventories at rising unit prices were making increasing demands on working capital. Until this situation is reversed, dividend payments cannot be considered, he said. The debenture issue was designed to improve the working capital position, the company stated.

Granada, Bluebird

Can you advise me as to the status of Granada, Bluebird, Noble Five, Topley-Richfield and Premier Gold?

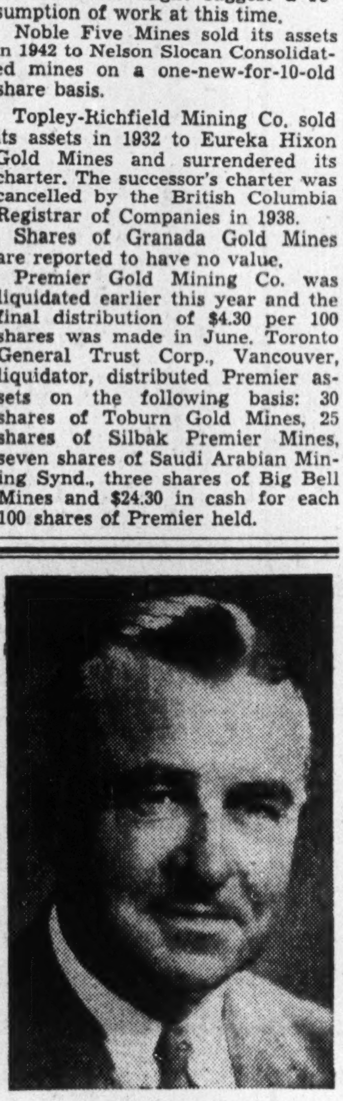
Bluebird Mines, holding a silver-lead prospect in the Slocan district, B.C., has been inactive for a number of years and nothing has come to hand that might suggest a resumption of work at this time.

Noble Five Mines sold its assets in 1942 to Nelson Slocan Consolidated mines on a one-new-for-10-old share basis.

Topley-Richfield Mining Co. sold its assets in 1932 to Eureka Hixon Gold Mines and surrendered its charter. The successor's charter was cancelled by the British Columbia Registrar of Companies in 1938.

Shares of Granada Gold Mines are reported to have no value.

Premier Gold Mining Co. was liquidated earlier this year and the final distribution of $4.30 per 100 shares was made in June. Toronto General Trust Corp., Vancouver, liquidator, distributed Premier assets on the following basis: 30 shares of Toburn Gold Mines, 25 shares of Silbak Premier Mines, seven shares of Saudi Arabian Mining Synd., three shares of Big Bell Mines and $24.30 in cash for each 100 shares of Premier held.



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A. W. BRUCE
assistant general manager of Household Finance Corp. of Canada, has been elected president of the Association of Canadian Small Loan Companies.

Life Companies Awarded Prizes

Eight Canadian life insurance companies won thirteen awards at the annual competitive exhibit of the Life Insurance Advertisers Association (International) at Washington, D.C.

Imperial Life won three prizes; the Confederation, Excelsior and Sun two each.

A total of 237 exhibits of advertising and sales promotion material from 160 companies were entered.

Contestants were divided into three groups based on the amount of ordinary insurance in force. Harold B. Brown, advertising manager, Imperial Life Assurance Co. of Canada, was Canadian member of the Association's executive board.

Canadian companies won awards of excellence in the following classifications:

Group I
Policyholder and public relations material—Confederation Life.
Newspaper advertising — Manufacturers Life, Mutual Life, Sun Life.
Recruiting material—Confederation Life.
Employee relations material—Sun Life.

Group II
Prestige and goodwill builders — North American Life.
Policyholder and public relations material—Imperial Life.
Magazine advertising—Excelsior Life.
Newspaper advertising — Excelsior Life, Imperial Life.
Employee relations material — Imperial Life.

Group III
Material to motivate agents — National Life.

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*SEPTEMBER 5th	172,936	OCTOBER 3rd	179,413
SEPTEMBER 12th	173,992	*OCTOBER 10th	182,798
SEPTEMBER 19th	174,664		

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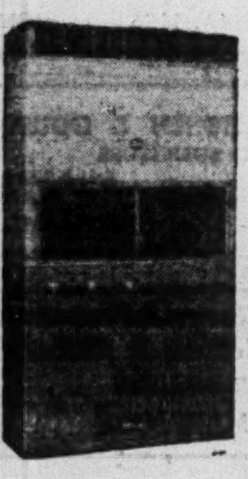
Watch for succeeding announcement. Our magazine supplement expanded from 24 to 32 pages, October 31st.



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Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

Prince Edward Is.

Busy Week for Drew: George A. Drew, new national Progressive Conservative leader, faced a busy week in the Maritimes. Flying from Montreal, he was to address two meetings in Charlottetown Nov. 8. The next three days he would spend in Halifax, addressing the provincial Progressive Conservative convention, a mass meeting of Dalhousie University students, and other gatherings. Nov. 12 he was scheduled to attend a provincial nomination meeting in Moncton; on Nov. 13, a meeting of New Brunswick Progressive Conservatives in Fredericton.

Mechanize Spud-Picking?: Mechanized potato picking looked like the answer to one of the Island's harvesting problems. This year, National Employment Service has transferred all available help from the Cape Breton and New Glasgow areas of Nova Scotia, to PEI, and still the labor supply was inadequate. The Education Department frowned on a proposal to close schools during the harvesting season, so students could aid. A few farmers experimented with picking machines this year, and pronounced them economical in time and labor; next year, it was expected, they would be in more general use.

• • •

Nova Scotia

New Roles for Seaweed: Seaweeds, which already contribute substantially to the province's economy, may soon blossom into a major industry, W. H. Cook, director of the Applied Biology Division of the National Research Laboratory, predicted as chemists from Britain, the United States and Canada conferred at Dalhousie University. Seaweeds harvested along the coast are used now for food, fertilizer and insulation; some are exported, in semi-processed form, to the United States, for use as a stabilizing agent in manufacture of chocolate and ice cream. Chemists in Britain and the United States planned to exchange knowledge which they have gained in the industrial uses of weeds, for some of Canada's experience in their application to food production.

Ferry Line Inadequate?: Increased Bay of Fundy ferry service, to link Saint John and Digby, were demanded by Digby Board of Trade at the semiannual meeting of the Annapolis Valley Boards of Trade in Kentville last week. Delegates complained that inadequate service, particularly during summer months, was seriously retarding tourist trade and adversely affecting the economy of the western end of the province. More than 3,000 cars had been carried on the Princess Helene in the five-month June-October period; but critics stated almost as many more vehicles had turned back, or detoured via Moncton, because of the transportation bottleneck.

• • •

New Brunswick

New Cabinet Minister: Saint John, largest city in the province, had Cabinet representation for the first time in nine years this week with the entry of Hon. James W. Brittain, 62, into the McNair administration as Minister of Education, Federal and Municipal Affairs. A veteran shipping executive, mayor of his native city from 1932 to 1936, he was first elected to the Legislature this year; was named a member of the New Brunswick Power Commission two months ago; now succeeds C. H. Blakeney, Moncton, in the Cabinet.

In Maritimes Van: Saint John still held first place among manufacturing centres of the Maritimes, latest DBS figures showed: 114 manufacturing establishments, with gross production value $45,180,815, against 111, with value $39,372,485 for Halifax, the runner-up. In New Brunswick, pulp and paper industries account for the largest gross value of production, followed by an allied industry, sawmills. Other leading industries include fish curing and packing, food packing, dairy products, wood products, bakeries, meat packing, fertilizers, stock and poultry feeds, heating and cooking apparatus and confectionery.

• • •

Quebec

"Disastrous" Drought?: Drought in the Montreal area threatened damage running into millions of dollars, McGill University meteorological authorities warned, reporting October rainfall in the district 2.17 in., 1.13 in. below normal. No measurable rain fell in the last two weeks of the month, while sunshine and temperature were both above the average. Already many wells in the Eastern Townships had gone dry and farmers were hauling water for their livestock. Dry, hard ground made fall plowing difficult, and low water levels were menacing fish life in many streams. The power shortage was also becoming increasingly serious.

Liberal House Leader: Provincial Liberals took their first step to organize for the coming legislature session; named George C. Marler, 47-year-old notary, MPP for Westmount-St. George since 1942, to lead their eight-man bloc in the House. A convention, later, would choose a permanent successor to ex-Premier Adelard Godbout, defeated in last July's election. Meanwhile, reports said Federal Liberals were planning a "hands-off" policy toward future provincial campaign; possibly in an effort to induce Premier Maurice Duplessis, in return, to stay on the fence in the next Dominion contest.

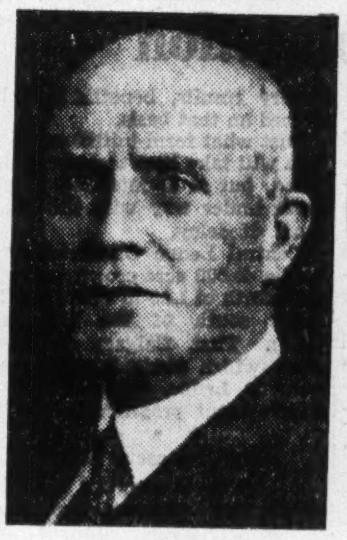
• • •

Ontario

New Welfare System: The province's welfare unit system, sanctioned by legislation last spring, was coming gradually into operation this week. Under the program, the province pays half the welfare administration costs of any municipality which sets up an approved unit, headed by a qualified administrator. The unit will administer unemployment relief, old age pensions, mothers' allowances, day nursing schemes, children's aid centres, hospitalization for indigents, and homes for the aged. The aim: greater efficiency in administration; elimination of duplication, and of checking and crosschecking of records by provincial and municipal officials. Toronto's Civic Welfare Committee, voting to enter into the plan, estimated it would save the city $250,000 yearly in operating expenses.

Combat Mental Illness: With a $178,000 nest egg donated by the Dominion Government, the University of Toronto planned an all-out attack on mental illnesses. It proposed to train field workers who would operate in hospitals, industries, family courts, schools, private homes and homes for the aged, seeking to counteract mental disorders before they reached an aggravated stage. The program called for addition of 18 full-time, 20 part-time teachers and consultants to the University staff.

Aid for Alcoholics: Simultaneously, the Provincial Government was reported planning a $100,000 hospital in Toronto for treatment of alcoholics, both men and women. Its aims: to rehabilitate many excessive drinkers, and improve social, moral and economic conditions in their homes; to curb industrial absenteeism; to relieve the strain placed on existing hospital accommodation by D. T. cases. Alcoholics Anonymous, it was expected, would work in conjunction with the new institution, though having no direct share in its administration or operation.



J. G. PARKER

president and managing director of Imperial Life Assurance Co., has been elected a vice-president of the American Life Convention.

• • •

Manitoba

Coalition How Long?: Premier Stuart Garson was housecleaning his desk, preparing to move to Ottawa (probably as Minister of Justice); and Agriculture Minister Douglas Lloyd Campbell, 53, was to succeed him here. But the question on all lips this week: How long will the Coalition last? As a concession to Progressive Conservatives, their leader, Works Minister Errick Willis, had been named Deputy Premier in the new Cabinet, and another PC had been included in its

(Continued on page 19)

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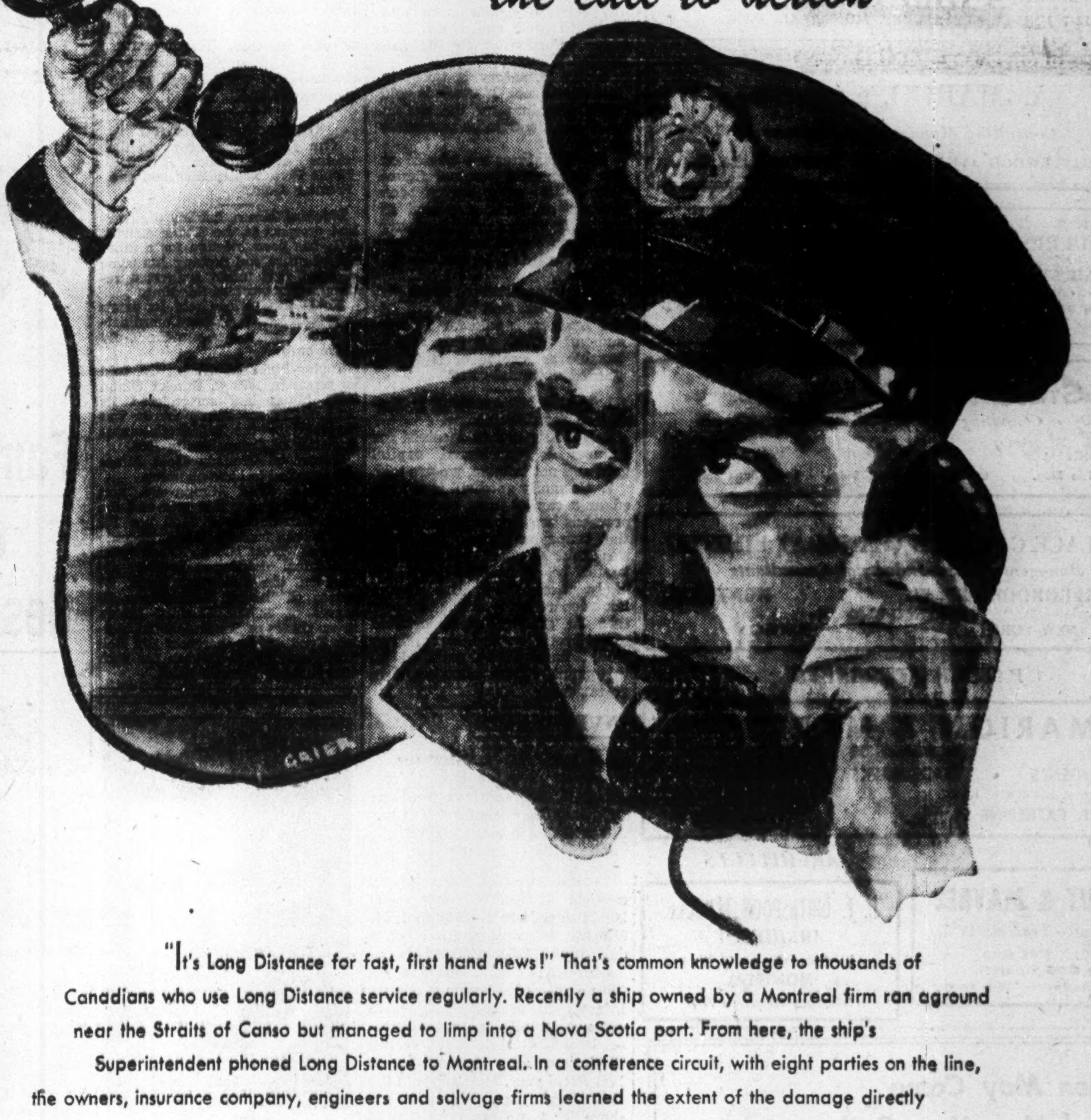

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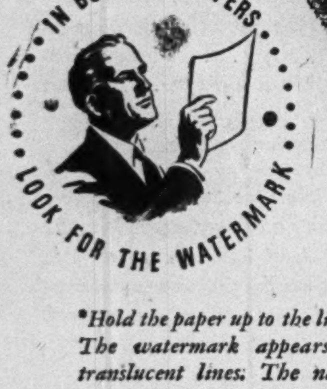

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Order of St. John Conducts National Appeal for $600,000

On Monday, Nov. 1, 849 years after its Jerusalem inception, the Order of St. John launched its second national campaign in Canada. Objective: $600,000—to finance its humanitarian work for the calendar year 1949.

Broken down, that's less than five cents for every man, woman, and child in the Dominion. And a nickel is pretty small pittance for the multitude of services provided by the Order.

Founded in Canada in 1891, its growth in this country can be measured by the fact that over one million people have taken St. John Ambulance's free training in First Aid, Home Nursing, and kindred subjects. The work of these trainees in two World Wars is well known to thousands of servicemen.

In addition, the St. John Ambulance blood-types employees in larger industrial plants, and civic employees. It maintains ski patrols, highway outposts, as well as rendering special service at all public functions.

In the light of Canada's rapidly expanding economy, the Order of St. John has been called on to carry out an increasingly important role in the homes and industries throughout our country. Campaign Director Lionel E. Brittle, and Co-Chairmen Lady Eaton and Adelard Raymond have been working many weeks to assure the success of the new appeal.

ADELARD RAYMOND

Billy Butlin Writes The Post

The Post has been advised by W. E. Butlin, managing director of Butlin's Ltd., Britain's holiday camp operator, that neither he nor his company has any connection with Ontario's Leyland's Holiday camp, recently put up for sale.

"Neither I, nor the company with which I am associated," he writes from London, Eng., "is financially or otherwise connected with the Holiday camp in question ..."

Provincial Roundup

(Continued from page 18)

ranks; but many, Liberals and PC's alike, contended that the Coalition formed by John Bracken in 1940, had served its purpose, and were demanding a return to old party lines, in anticipation of a 1949 general election. Progressive Conservatives had reluctantly accepted a Liberal as Coalition candidate in last week's Minnedosa by-election.

Fear Spring Drought: Only heavy snow this winter could save Northern Manitoba from the menace of spring droughts, with resultant bush fires and loss of wild life, woodsmen and naturalists warned. Indians at Nelson House, fearing loss of their spring fur harvest, were reported working desperately to build 100 dams, hoping to preserve enough water to keep muskrats alive. Floods on the Saskatchewan River had forced evacuation of 90% of farm lands in The Pas area, until late summer; then drought had set in.

* * *

Saskatchewan

Liberals Heartened: Provincial Liberals were feeling their oats for the first time since the CCF landslide of June, 1944. In the wake of their party's victory in the Federal Rosthern by-election they now heard that a solid bloc of 21 Opposition members would confront the Socialist administration's 31 in the next legislature session. Hamilton MacDonald, only Progressive Conservative elected last June, had asked to be allowed to cast his lot with the Liberals, as L. M. Marion, Independent of Athabasca had previously done.

PC Leader Quits: Simultaneously, Rupert Ramsay resigned as provincial Progressive Conservative leader, saying he took "full responsibility for the party's mediocre showing" during the four years he had headed it. The party's advisory board announced that it had accepted the resignation, but refused to accept Ramsay's self-condemnation. Pending selection of a new chieftain, Alvin Hamilton of Saskatoon, was named to act as party organizer.

Woo Overseas Capital: Simultaneously also Premier T. C. Douglas brought home from a six-week visit to Europe hopes for investment by British and Swedish capital in this Socialist-governed province; said he had discussed the prospect with governments of the two countries and with spokesmen for private industry. He also disclosed plans to visit New York later this month, with an eye to industrial development.

* * *

Alberta

Survey Gas Reserves: "An impartial board, with wide knowledge in industry and other fields ... which will have the respect and confidence of all," was named by Lands and Mines Minister N. E. Tanner, to take inventory of the province's gas reserves: R. J. Dinning, president of Burns & Co.; Andrew Stewart, professor of economics at the University of Alberta; Roy C. Marler, president of the Alberta Federation of Agriculture. The commission's report will cover probable requirements of Alberta users for industrial and other purposes, and marketing of surplus gas outside the province.

Rap "Strings" on Grants: Associated Hospitals of Alberta wanted no strings on provincial aid to hospital construction grants; contended that need should be the only yardstick in allocating funds and that hospitals and municipalities should not be forced to adopt any hospitalization plans in order to qualify.

The Dominion Government has promised grants at the rate of $1,000 per bed for new hospital construction, provided the province matches this amount. Alberta has stipulated that it will take part in the proposal only on condition that the community receiving a grant, adopts a hospitalization scheme, whereby ratepayers and their dependents will get public ward accommodation for $1 a day, the balance of hospital costs to be defrayed out of the municipal treasury.

* * *

British Columbia

Helicopter Beats "Looper": The first helicopter forest spraying operation in Canada, had saved the East Kootenay Valley's $1 million Christmas tree industry from possible destruction, forestry officials disclosed. A pest known as the "false hemlock looper" (because it was now attacking Douglas firs for the first time) had menaced 12,000 acres of the tree-producing area, until a helicopter sprayed tons of a DDT fuel oil solution on the infested region. Officials voiced doubt, however, that the process would be practicable for wider use; hundreds of aircraft would be required, and operations would only be possible for a few hours daily, because of air currents.

IDB Loans Up In September

MONTREAL (Staff)—Increase of $1 million in loans and investments over the previous month was shown in the September statement of the Industrial Development Bank. Comparative statements follow:

	1948	
Assets	Sept., $	Aug., $
Cash on hand, deposits with other bks.	33,422	55,729
Dom. Govt. secs. ..	8,224,414	9,100,434
Loans & invests. ...	17,535,919	16,542,172
All other assets	3,377,534	3,452,435
	29,171,289	29,150,770
Liabilities		
Capital paid-up	25,000,000	25,000,000
Reserve fund	749,241	749,241
Reserve for losses ..	200,000	200,000
All other liabs.	3,222,048	3,201,529
	29,171,289	29,150,770

MACLEOD-COCKSHUTT GOLD MINES bullion production amounted to $325,825 from milling 36,593 tons of ore in three months ended Sept. 30.

Guaranty Trust Appointment

L. H. KELLY

Guaranty Trust Company of Canada announces the appointment of L. H. Kelly as Manager of its Real Estate Department; Mr. Kelly has been prominent in the Real Estate business in Toronto for 17 years with a wide and varied experience.

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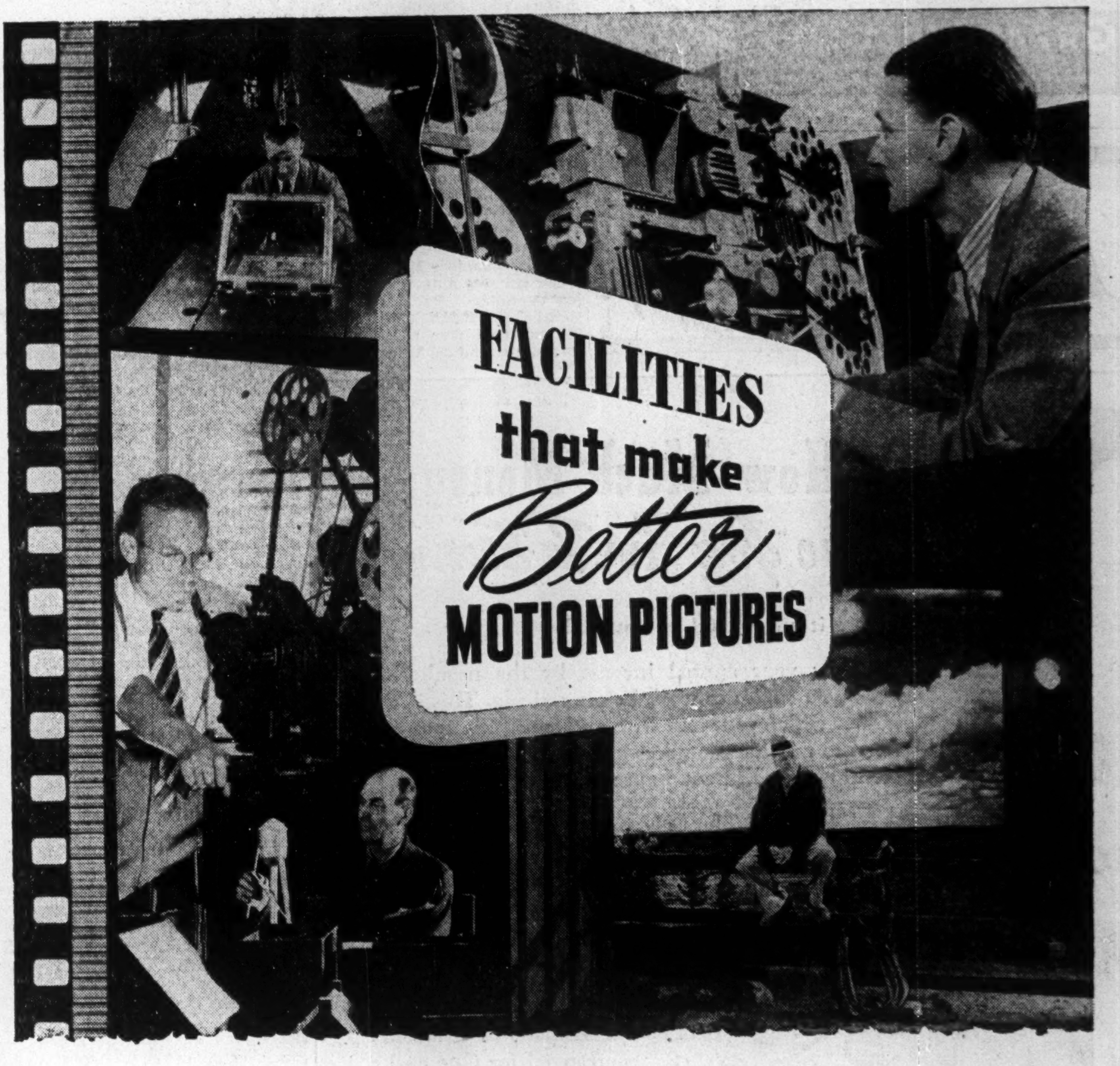

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Chartered Banks' Assets Rise 130% Since Prewar

Employees at Aug. 31 Total 41,616, States President Robert Rae at Bankers' Association Annual Meeting – 56,000 Shareholders

Apart from the United States of America, Canada is in a more prosperous state than any other country in the world, Robert Rae told the Canadian Bankers' Association annual meeting in Toronto, in his presidential address. Mr. Rae is also vice-president and general manager of the Dominion Bank. Here is a digest of his address:

The banks are owned by some 56,000 registered shareholders, about 75 per cent of them Canadians. They come from every walk of life. Shareholders of one typical bank are registered as of 260 different and widely varied occupations. Far from making fortunes out of their investment in bank shares, they earned last year 3.8 per cent on their equity in the banks, contrasted with 4.2 before the war.

These shareholders annually elect some 192 directors well known for business ability and integrity. They in turn appoint the senior management and through the general managers and executive staff supervise the activities of an army of employees. When the war started our staffs totalled 25,112. At the end of August this year our staffs numbered 41,616, of whom 50% are women. Staffs have been increased in numbers 65% compared with pre-war.

Payrolls $79 Millions

Not only have staffs increased but wage and salary rates have increased to an even greater degree. Our total payrolls last year amounted to nearly $79 millions, 113% over the prewar figure. Banks also make substantial contributions to employees' pension funds, and other objects such as group insurance, hospitalization plans and sick leave with pay.

In our 3,385 branches our customers maintain 7,221,052 deposit accounts. Deposits by the public, as distinguished from those by governments, total $6,217 millions, of which just over $4 billions is in the savings accounts of individuals. We have approximately 800,000 borrowing customers, all of whom, of course, are depositors too.

We are bookkeepers for all our customers. We can illustrate our service best perhaps by the record of debits to individual bank accounts. The total of such debits runs in the neighborhood of $6.5 billions a month. The whole volume of deposits by the public is thus turning over at the rate of once a month.

Safeguarding Deposits

Our primary duty is safeguarding depositors' funds. We safeguard the privacy of all regular transactions. Our business is short-term lending. We take risks within reason. Competitively we seek to keep credit moving through all the channels of trade and opportunity.

Our total assets as of August 31 stood at $8,182 million, which compares with $3,548 million in 1939 before the war, an increase of 130.5%. The postwar changes as between 1945 and August 31 of this year are of interest. Total Canadian deposits at $6,688 million compare with 1945 figure of $5,279 million, an increase of $1,409 million or 26.7 per cent. During the same period holdings of Dominion and provincial securities declined from 64.7% of Canadian deposits to 50.8%. Current loans in Canada increased from $1,135 million in 1945 to $1,959.8 million at August 31, 1948. Current loans of 1945 were 21% of the total of Canadian deposits while the current loans in 1948 represented 29.2%. Security holdings are down and current loans are up in relation to total Canadian deposits. This situation, I suggest, is not an unhealthy one.

Money in the hands of the public, including bank deposits at August 31 was $7,725 million compared with $6,329 million in 1945, an increase of 22%. The increase does not seem out of line with the higher tempo of national activity and the increase in the national income. The quantity of money in the hands of the public as of August 31st this year is equivalent to 51.09% of this year's estimated national income. It is interesting to compare this with the prewar economy of 1939, when the quantity was 52.7% of the national income.

This may suggest that greater production and greater national income have largely taken up the inflationary potential of the wartime expansion of money. Perhaps this may portend some pending relaxation in the upward pressure on prices, but he would be a bold person who would make that a firm prediction.

H. W. MANNING

vice-president and managing director, Great-West Life Assurance Co., has been elected a vice-president of the American Life Convention.

Some significant figures on bank lending will illustrate how we have helped all aspects of the postwar economy. Total bank loans on June 30, 1948, were 76.8 per cent higher than at October 31, 1945. As of the same dates loans to all sorts of people and for all sorts of worthwhile purposes had increased in these percentages:

Municipal gov't school districts	160%
Farmers' loans	106%
Financial loans	8%
Merchandising	183%
Forest products	115%
Other manufacturing	120%
Mining	56%
Loans to builders	117%
Loans to others	135%

The year has been one of expansion and development as well as high production. Capital investment in new plant has been at a high level. It suggests the possibility that some enterprises are effecting capital expenditures at the expense of working capital. There is also the point that some people are perhaps trying to do too much business on their present working capital, and are in a position in which their inventories may become too high.

Life Insurance Holds Its Own In West Europe

With a few exceptions, life insurance in Western Europe has survived the distress caused by war or inflation, life insurance actuaries from Canada and the United States were told at the full joint meeting of the Actuarial Society of America and the American Institute of Actuaries at French Lick, Ind.

J. Gordon Beatty of Toronto (chief actuary, Canada Life Assurance Co.), president of the Institute, and Horace R. Bassford of New York (vice-president and chief actuary, Metropolitan Life Insurance Co.), president of the Society, issued a joint statement based on their observations and talks while in Europe last summer at the Centenary of the British Institute of Actuaries. Here is a digest of their report:

Best records were registered in the Scandinavian countries, Belgium, the Netherlands and Switzerland, where the life insurance per capita has kept pace with the increase in the cost of living. Life insurance made a relatively poor showing in France and Italy.

Private Enterprise Survives

France and Italy are the only countries of western Europe in which life insurance did not remain fully in private hands. In Italy life insurance was partially nationalized long before the war, whereas in France 10 companies have been nationalized since the war. The remaining companies have to reinsure a certain proportion of every policy in a central reinsurance fund. Britain's Socialist Government has definitely stated insurance will not be nationalized. However, some restrictions have been imposed on the issue of industrial insurance for funeral expense in connection with the introduction of the revised social insurance system for 1948.

While practically all companies in the western zone of Germany survived the war, policy benefits have had to be scaled down drastically, in line with the heavy investment losses of the companies and the devaluation of the currency. It is impossible to obtain any authoritative information as to the status of life insurance in the Soviet Union or the countries dominated by Russia. There is some evidence, however, that at least some form of industrial insurance is in operation in the Soviet Union.

War Restrictions

There is no common pattern in the restrictions on the coverage of war risks that were imposed in the various European countries during the war. Postwar actions on war clauses have also varied greatly. In a number of European countries, companies are not allowed to offer full coverage against war risks. In Finland, war clauses have been used which exclude deaths from atomic bombs or other mass destruction weapons. In Great Britain, some companies which used war clauses during the war are continuing to use them but others have dropped them. Some insurance men in that country hold the view that if another war comes along, the Government may have to step in and take whatever action is necessary to protect the companies, regardless of whether they have war clauses in their policies or not, just as was done in certain European countries during the last war.

BANK OF CANADA

Liabilities	Nov. 3 1948 $	Oct. 27 1948 $
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,279,323,975	1,275,757,848
Deposits: Dom.	103,815,355	109,857,514
Chart. banks	592,228,501	564,491,411
Other	68,255,098	68,746,468
Total deposits	764,298,954	746,095,393
Liabs. payable in sterling, U.S.A. and for'n gold currencies: Deposits	1,018,233	18,233
All other liabs.	61,819,918	27,880,574
Total liabs.	2,121,511,447	2,064,802,414
Assets		
Sterling & for'n exchange	1,018,233	18,233
Other currencies	103,025	88,491
Total	1,121,258	106,724
Subsid. coin	106,100	114,832
Investments:		
Dom. govt. shs.	1,229,880,231	1,267,927,253
Oth. Dom. gov.	801,047,445	741,451,110
Total invest.	2,030,927,676	2,009,378,363
Total share cap. at cost	25,000,000	25,000,000
Premises	2,486,201	2,486,201
All other assets	61,870,212	27,716,294
Total assets	2,121,511,447	2,064,802,414

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TORONTO

Bank Debits Up In Nine Months

Canadian business activity again resulted in cheques cashed against individual bank accounts showing an increase of 13% in September over the same month last year.

All five economic areas showed increases: Maritimes, 11%; Quebec 10.5%; Ontario 5.5%; Prairies 33.7%; British Columbia 12%. Twenty-nine of the 33 clearing centres recorded advances over the same month of last year.

For the nine months ending with September, total bank debits for all Canada increased 6.5%. By areas, increases were Maritimes 11.6%; Quebec 0.6%; Ontario 7.9%; Prairies 13.5%; British Columbia 7.2%.

Comparative figures follow:

	Sept. 1948	Aug. 1948	Sept. 1947
	— Millions of $ —		
Maritimes:			
Halifax	77.6	73.8	75.9
Moncton	35.0	27.9	26.7
Saint John	44.6	45.6	39.1
Total	157.2	147.3	141.7
Quebec:			
Montreal	1,661.1	1,527.9	1,504.9
Quebec	207.1	219.2	189.1
Sherbrooke	25.2	22.0	20.2
Total	1,893.4	1,769.1	1,714.2
Ontario:			
Brantford	30.0	31.7	25.1
Chatham	23.3	24.8	18.6
Fort William	18.9	18.5	21.2
Hamilton	160.2	144.8	140.1
Kingston	19.2	17.6	17.1
Kitchener	34.8	32.2	33.9
London	79.8	75.5	79.9
Ottawa	352.2	241.4	311.2
Peterborough	21.8	21.1	19.5
St. Catharines	27.8	21.8	25.2
Sarnia	25.8	25.3	22.4
Sudbury	20.7	19.4	16.5
Toronto	1,651.4	1,494.3	1,601.8
Windsor	103.3	98.4	93.5
Total	2,559.2	2,266.8	2,425.9
Prairie Provinces:			
Brandon	11.6	10.7	10.7
Calgary	189.4	166.8	145.3
Edmonton	138.9	98.8	84.9
Lethbridge	20.8	18.8	15.6
Medicine Hat	9.9	8.2	11.0
Moose Jaw	22.7	17.7	16.7
Prince Albert	10.9	10.7	8.7
Regina	188.4	95.8	138.0
Saskatoon	41.0	36.5	37.2
Winnipeg	898.5	548.7	677.6
Total	1,532.2	1,012.9	1,145.8
British Columbia:			
New W'minster	26.4	27.1	25.1
Vancouver	468.2	423.6	407.9
Victoria	73.1	92.9	73.6
Total	567.6	543.6	506.6
Total for Canada	6,709.7	5,739.8	5,934.4

Staff Changes

The Dominion Bank announces the following staff changes:

P. KENNEDY, formerly an assistant manager, Bleury St., Montreal, to be manager, Edmonton, Alta.

A. N. KIDD, relief manager, Saint John, N.B., to be manager, that branch.

THOS. LONG, formerly manager, Kirkland Lake, Ont., to be appointed manager, Port Arthur, Ont.

G. A. CROMWELL, formerly St. Lawrence Blvd., Montreal, to be assistant manager, Dominion Square, Montreal.

E. A. QUACKENBUSH, to be an assistant agent, New York.

H. W. REEVES, formerly assistant manager, St. Jean Baptiste Market, Montreal, to be an assistant manager, Toronto.

ALAN SMITH, to be assistant manager, St. Jean Baptiste Market, Montreal.

H. W. BALLARD, to be accountant, Port Arthur, Ont.

A. J. GRIFFIN, to be accountant, Pender & Howe Sts., Vancouver.

G. G. O'KELLY, formerly accountant, St. Jean Baptiste Market, appointed accountant, St. Lawrence Blvd., Montreal.

C. J. PERRIN, to be accountant, King & Wentworth Sts., Hamilton.

A. H. SOTHERN, to be accountant, Fort William, Ont.

D. TETLOCK, accountant, King & Wentworth Sts., Hamilton, to be assistant manager, that branch.

* * *

The Bank of Nova Scotia announces the following staff changes:

E. E. CONDELL, to be manager at Princess St., Kingston, Ja.

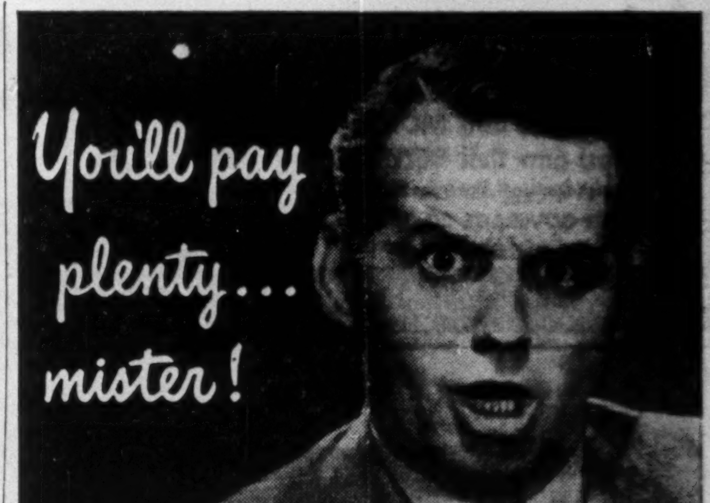
H. E. WALES, to be manager, Kingsway, Toronto.

C. V. HUTCHINSON, to be accountant at Toronto, Ont.

J. R. RICE, to be accountant at Edmonton, Alta.

G. D. WILLIAMS, to be accountant at Queen & McCaul, Toronto, Ont.

J. W. VALLIANT, to be accountant at Princess St., Kingston, Ja.


You'll pay plenty... mister!

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Perhaps you have liability insurance . . . but has it been adjusted to meet the *increased awards* being allowed by the courts? Current cases prove that most people are *under-insured*. How about it? If you were sued . . . could you pay the hospital bills, doctor's bills, damages for pain and suffering . . . or loss of income? Remember, increased values and increased costs all contribute towards your *increased liability!*

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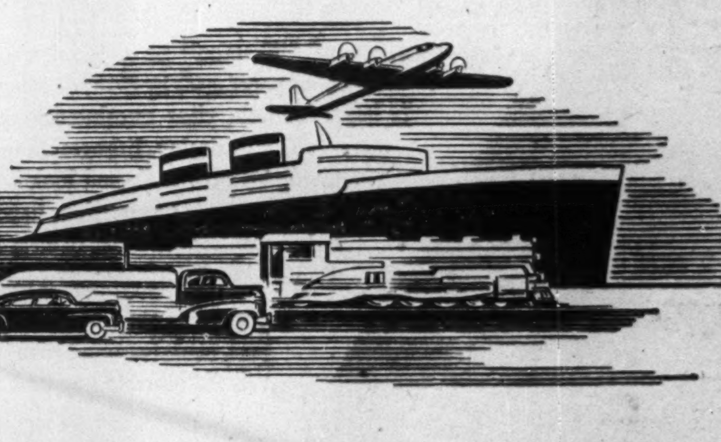

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In a country the size of Canada — 4,000 miles from coast to coast — cheap, fast transportation is essential to commerce and to travel. Modern facilities . . . railroads, shipping lines, planes, trucks . . . provide this service. Throughout all phases of its complicated operations transportation is subjected to innumerable hazards. Fortunately insurance stands ready to shoulder such risks . . . to meet losses and claims, thereby minimizing the risks which strike at the successful operation of our modern transportation systems.

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Business Borrowings From Banks Up Public Deposits Establish New Peak

Business borrowings in Canada in September showed an increase of over $52 millions from the previous month, of more than $141 millions over September, 1947, according to the regular monthly return of the chartered banks to the Finance Minister as at Sept. 30. The increase is attributed largely to borrowing to finance the grain crop.

The crop in both Eastern and Western Canada this year was larger than in 1947 and the movement started earlier, bringing the demand for bank credit earlier than usual.

The lumber industry is also stated to be borrowing substantially to finance stocks of lumber being seasoned and not yet turned into cash with operators getting ready for the winter woods work.

Autumn Business Borrowing

In addition there is always a certain amount of borrowing by merchants and manufacturers, laying in stocks of goods and materials for the Christmas and winter trades.

Call loans in Canada were slightly lower at the month end, but borrowing by municipalities and provinces was up, total loans in Canada showing an increase of $63.5 millions over Aug. 31 and $161.5 millions above Sept. 30 a year ago.

Public savings in the chartered banks again set a new high at $4,048 milions, exceeding the previous peak of $4,002 millions established in August and $242 millions higher than the year before.

Demand Deposits New Peak

Demand deposits with an increase of $145 millions passed the previous high record of $2,315 millions reached in October 1946.

In both demand and savings deposits, farmers' receipts for grain, cattle fruits and vegetables are a factor. Increased borrowing is also a factor as deposits are set up against loans. In any case, total deposits by the public are higher than ever before at $6.4 billions, $191 millions above the previous month and $439 millions over Sept. 30, 1947. Dominion Government deposits were down on the month, higher on the year; provincial government deposits up in both comparisons.

Outside Canada the banks' call loans were lower in both monthly and yearly comparisons, with current loans higher in each case.

Important items in the statement with comparisons follow.

Use of Bank Credit in Canada
(In Millions of Dollars)

	Sept. 1948	August 1948	Change	Sept. 1947	Change
Loans	2,098.7	2,035.2	+63.5	1,937.2	+161.5
Investments	4,185.3	4,209.0	—23.7	3,962.8	+222.5
Total	6,284.0	6,244.2	+39.8	5,900.0	+384.0
Deposits	6,408.6	6,217.6	+191.0	5,969.1	+439.5
Credit index*	32.7%	32.7%	......	32.5%	+0.2%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS
(In Thousands of Dollars)

	Sept. 1948	August 1948	Change	Sept. 1947	Change
Canadian coin	11,160	11,048	+112	11,440	—280
Bank of Canada notes	172,200	175,993	—3,793	170,061	+2,139
Bank of Canada deposits	550,919	525,098	+25,821	481,115	+69,804
Bank's cash	734,279	712,139	+22,140	662,616	+71,663
Gold sub. coin abd.	3,355	3,325	+30	3,541	—186
Foreign banks	190,174	198,113	—7,939	189,927	+247
Foreign currency	109,473	113,046	—3,573	130,499	—20,926
Call loans abroad	70,205	77,414	—7,209	81,394	—11,189
Government securities:					
Dom. short term	815,534	836,843	—21,309	512,051	+303,483
Prov. short term	136,463	130,344	+6,119	122,151	+14,312
Dom. long term	2,099,266	2,091,080	+8,186	2,273,740	—174,474
Prov. long term	330,476	339,239	—8,763	353,390	—22,914
	4,489,225	4,501,543	—12,318	4,329,312	+159,913
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	136,596	136,811	—215	140,121	—3,525
Public secs.▲	256,036	263,554	—7,518	279,086	—23,050
Other secs.	410,936	411,135	—199	282,353	+128,583
Can. call loans	75,510	77,343	—1,833	82,679	—7,169
Current loans	1,930,558	1,878,327	+52,231	1,788,920	+141,638
Loans abroad	243,669	238,751	+4,918	193,423	+50,246
Prov. loans	23,587	11,077	+12,510	21,418	+2,169
Munic. loans	69,049	68,523	+526	44,225	+24,824
	3,145,941	3,085,521	+60,420	2,832,225	+313,716
Other Assets					
Noncurrent loans	2,036	1,965	+71	1,229	+807
Real estate	537	559	—22	599	—62
Mortgages	1,000	1,010	—10	1,378	—378
Premises	77,600	76,692	+908	70,637	+6,963
Letters of credit	206,951	212,525	—5,574	208,531	—1,580
Loans to comp.	11,923	11,867	+56	10,917	+1,006
Other assets	7,945	7,909	+36	6,063	+1,882
	307,992	312,527	—4,535	299,354	+8,638
Total	7,943,158	7,899,591	+43,567	7,460,891	+482,267
Note circ. dep.	930	930	......	1,107	—177
Int. bank bal.	378,654	281,650	+97,004	319,625	+59,029
Gross	8,322,742	8,182,171	+140,571	7,781,623	+541,119

LIABILITIES

	Sept. 1948	August 1948	Change	Sept. 1947	Change
To the Public					
Circulation	16,687	16,857	—170	18,944	—2,257
Dom. Govt.	215,103	243,926	—28,823	108,555	+106,548
Prov. Govt.	152,684	147,276	+5,408	115,198	+37,486
Deposits by Public					
Demand dep.	2,360,116	2,214,969	+145,147	2,163,315	+196,801
Savings dep.	4,048,535	4,002,644	+45,891	3,805,873	+242,662
Total	6,408,651	6,217,613	+191,038	5,969,188	+439,463
Foreign Deposits					
Dep. elsewhere	740,565	760,831	—20,266	751,868	—11,303
For. curr. in Canada	82,796	79,813	+2,983	91,393	—8,597
Total	823,361	840,644	—17,283	843,261	—19,900
Due to Banks Abroad					
United Kingdom	38,587	39,598	—1,011	39,542	—955
Foreign	86,146	92,164	—6,018	118,338	—32,192
Letters of credit	206,951	212,525	—5,574	208,531	—1,580
Other liab.	5,314	5,139	+175	3,358	+1,956
Total public liab.	7,953,484	7,815,742	+137,742	7,424,915	+528,569
Due other banks	27,704	24,295	+3,409	22,507	+5,197
Liability to Shareholders					
Dividends	1,562	2,162	—600	1,516	+46
Reserve	181,750	181,750	......	176,750	+5,000
Capital stock	145,500	145,500	......	145,500	......
Gross	8,310,000	8,169,449	+140,551	7,771,188	+538,812

▲Other than Canadian.

Staff Changes

The Bank of Toronto announces the following staff changes:

W. F. HYDE, formerly manager, Omemee, Ont., to be manager, Collingwood, Ont., succeeding O. G. BERNHARDT, who retires.

B. C. McARTHUR, formerly manager, Thornbury, Ont., to be manager, Meaford, Ont.

M. A. PATTERSON, formerly accountant, Newmarket, Ont., to be manager, Thornbury, Ont.

H. J. STONE, formerly manager, Atwater & St. Antoine, Montreal, to be manager, St. Lawrence Blvd., Montreal.

B. C. CASE, formerly manager, St. Lambert, Que., to be manager, Atwater & St. Antoine, Montreal.

R. A. ROSS, formerly of Montreal main office, to be manager, St. Lambert, Que.

J. K. HEAP, formerly of Edmonton main office, to be manager, St. Vital, Man., recently opened.

E. W. KEYES, formerly accountant, Swan River, Man., to be manager, Stenen, Sask.

E. J. MITCHELL, formerly assistant manager, London main office, to be premises supervisor, head office.

R. A. ECHLIN, formerly of head office supervisors' department, to be assistant manager, London main office.

R. J. CHAMBERS, formerly accountant, Peel St., Montreal, transferred to supervisors' department, head office.

D. A. HANNING, formerly of Montreal main office, to be accountant, Peel St., Montreal.

C. A. HENDERSON, formerly accountant, Toronto main office, transferred to inspection department, head office.

W. R. COLLIER, formerly assistant accountant, Toronto main office, to be accountant at that point.

W. G. PRINCE formerly accountant, Fort William, Ont., transferred to head office supervisors' department.

S. E. CAMERON, formerly accountant, Shelburne, Ont., to be accountant, Fort William, Ont.

D. K. GORDON, formerly assistant accountant, Kitchener, Ont., to be accountant, Shelburne, Ont.

H. J. BOYLE, formerly assistant accountant, Yorkton, Sask., to be accountant at Swan River, Man.

R. M. HOWARTH, formerly assistant accountant, Queen & Spadina, Toronto, to be accountant, Alliston, Ont.

J. J. WILLIS, formerly assistant accountant, Barrie, Ont., to be accountant, Oakville, Ont.

J. P. HARVEY, formerly accountant, Thornbury, Ont., to be attached to the staff of Montreal main office.

E. R. LOAN, formerly assistant accountant, Waterloo, Ont., to be accountant, Thornbury, Ont.

W. J. PANKHURST, formerly accountant, St. Clair & Bathurst, Toronto, to be attached to staff, Toronto main office.

R. J. McKINNON, formerly assistant accountant, Sudbury, Ont., to be accountant, St. Clair & Bathurst, Toronto.

C. W. REID, formerly of Petrolia, Ont., to be accountant, Oil Springs, Ont.

P. G. McGIBBON, formerly accountant, Oil Springs, Ont., to be assistant accountant, Fort William, Ont.

R. MAHAFFY, formerly assistant accountant, Sudbury main office, to be accountant, North End, Sudbury, Ont.

W. J. ÇRIPPS, formerly of Winnipeg main office, to be accountant, Birch River, Man.

E. A. CORNER, formerly of Toronto main office, to be accountant, Eglinton & Laird, Toronto.

Deficit in 1947, Rates Raised By Alberta Life Ins. Office

ARTHUR B. WOOD

president of the Sun Life Assurance Co. of Canada, has been elected a vice-president of the American Life Convention.

From Our Own Correspondent

EDMONTON—At Dec. 31, 1947, the Alberta Government insurance office, life department, had a deficit of $10,163, according to a public accounts statement released recently by C. K. Huckvale, provincial auditor.

Huckvale stated, "The premium rates in force at Dec. 31, 1947, have not been certified by the insurance office's actuary and would not appear to be sufficient to make the contracts self-supporting as required by Sec. 16, Chapter 202, Revised Statutes of Alberta, 1942."

Policies in force at the end of 1947 amounted to $2,947,650. In addition, policies aggregating $359,407 carried a double indemnity accident benefit clause which was wholly reinsured.

At the 1948 session of the Alberta legislature, administration of the government life insurance business was taken from the economic affairs department and a new crown company formed. M. R. Marvin, general manager of the Life Insurance Co. of Alberta, stated that the province's life insurance business is now conducted under an "entirely different setup." He said there has been a revision of premium rates.

Alberta Won't Try Own Rent Control

From Our Own Correspondent

EDMONTON — "The Alberta Government hasn't considered entering the field of rent control," Alberta Economic Affairs Minister A. J. Hooke said simply and apparently finally in commenting on Ottawa's "suggestion" last week that any province willing to sit in the rent control hot seat can have it.

Edmonton, thus, was first to pour cold water on the idea of provincial rent control.

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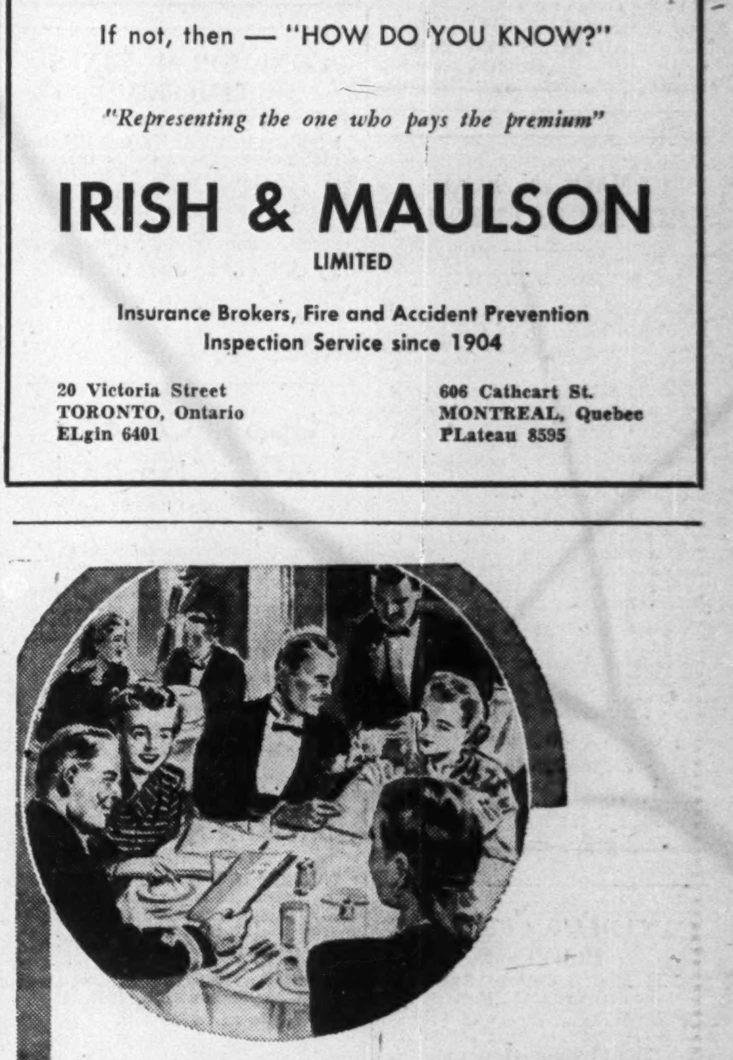

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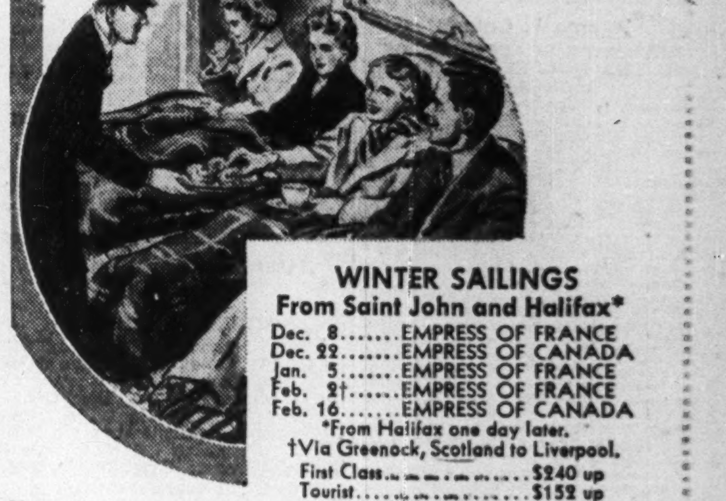

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Canadian Pacific

Position of Chartered Banks of Canada as of September 30, 1948, Shown by Monthly Returns to Minister of Finance

LIABILITIES — **SUPPLEMENTARY INFORMATION**

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada Secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits in Canada in currencies other than Canadian	Deposits Elsewhere	Bal. due to other Banks in Canada	Due to banks in U.K.	Due to Banks Elsewhere	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Greatest Amount of Notes in Circ.	Bills rediscounted with Bank of Canada
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$
Montreal	4,283,782	78,899,738	30,640,621	....	602,063,672	988,067,223	11,036,262	127,816,552	2,271,978	11,247,896	26,656,893	28,169,574	508,326	29,651	44,000,000	36,000,000	1,991,692,174	50,000,000	36,000,000	8	681,797	4,325,028	....
Nova Scotia	1,480,395	19,416,901	2,674,253	....	181,639,059	343,568,275	6,331,941	103,051,475	5,421,124	1,891,260	4,118,210	28,407,127	450,372	365,130	24,000,000	12,000,000	734,815,528	15,000,000	12,000,000	12*	3,840,533	1,501,743	....
Toronto	619,271	10,179,585	1,422,963	....	134,137,492	243,791,187	842,921	....	588,133	3,620,123	1,034,006	4,306,484	35,553	6,305	14,000,000	6,000,000	420,584,027	10,000,000	6,000,000	12	466,290	623,301	....
Provincial	305,628	2,869,672	236,740	....	42,763,445	109,808,078	67,596	....	1,635,769	....	27,398	606,077	42,649	9,547	2,000,000	4,000,000	164,372,602	5,000,000	4,000,000	6	49,418	308,023	....
Commerce	3,475,990	32,064,897	35,390,310	....	445,501,181	757,029,715	10,537,672	97,341,553	3,524,351	4,928,884	9,483,715	53,761,028	961,294	629,590	30,000,000	30,000,000	1,514,630,186	50,000,000	30,000,000	8	1,994,815	3,507,118	....
Royal	4,413,096	37,105,643	42,993,352	....	593,509,889	870,556,979	42,304,939	398,270,603	4,456	7,082,053	37,335,188	66,285,949	2,588,185	112,211	40,000,000	35,000,000	2,177,562,547	50,000,000	35,000,000	10	1,811,028	4,457,103	....
Dominion	611,869	14,581,613	3,683,567	....	119,465,184	198,203,331	4,068,129	14,084,268	4,084,607	2,041,845	1,467,371	11,050,479	421,748	177,187	10,000,000	7,000,000	390,941,204	10,000,000	7,000,000	10	280,839	619,779	....
Nationale	623,562	7,839,323	3,756,401	....	96,325,689	284,138,810	706,565	....	4,543,709	75,531	1,047,707	2,012,769	75,407	18,643	7,000,000	7,000,000	415,164,121	10,000,000	7,000,000	8	118,472	628,357	....
Imperial	799,437	9,669,615	31,823,681	....	136,863,127	244,622,500	5,006,628	....	5,164,198	3,239,598	2,729,733	10,943,079	203,991	213,325	10,000,000	7,000,000	468,278,917	10,000,000	7,000,000	12	587,038	807,512	....
Barclays	73,840	2,476,445	61,704	....	7,846,892	8,749,217	1,893,639	....	465,754	4,460,248	2,245,828	1,408,537	26,558	....	750,000	1,500,000	31,958,666	1,500,000	1,500,000	....	....	74,980	....
Total	16,686,870	215,103,432	152,683,592	....	2,360,115,630	4,048,535,315	82,796,202	740,564,451	27,704,079	38,587,438	86,146,049	206,951,103	5,314,083	1,561,589	181,750,000	145,500,000	8,309,999,972	211,500,000	145,500,000	....	9,830,230	16,852,944	....

†And loans for which they are guarantors.

*Plus extra distribution of 20 cents per share

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank* of Canada	Deposits with Bank of Canada	Notes and Cheques on other Banks	Govt. and Bank Notes other than Canadian	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Short Term Sec.	Prov. Gov. Long Term Sec.	Canadian municipal securities	Public Securities other than Canadian	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	■ Real estate other than Bank premises	Bank Premises	Deposit for note circulation	Other assets	▲ Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	2,402,422	44,049	37,846,747	150,031,610	101,162,297	1,977,944	4,206	5,186,524	30,703,920	262,454,247	531,840,693	49,864,120	98,976,470	32,218,251	59,800,015	126,981,602	8,743,462	20,429,378	371,974,661	31,695,387	4,787,340	14,799,703	1,150,662	337,898	15,500,493	236,651	3,451,474	1,982,771,745
Nova Scotia	790,010	1,175,579	17,117,727	41,583,976	31,327,675	22,302,988	....	523,972	12,016,834	68,943,041	157,437,082	7,165,543	13,486,386	7,251,129	13,432,886	22,728,399	11,147,211	5,064,460	197,602,066	45,093,541	11,190,645	10,094,967	58,036	8,317	7,480,725	85,917	3,309,641	736,825,885
Toronto	616,292	....	9,163,454	33,530,372	19,498,457	749,580	....	1,100,436	3,965,243	33,522,605	134,354,744	5,751,782	13,604,604	6,539,766	....	20,986,539	4,825,210	....	119,327,065	....	....	4,412,709	22,445	8,018	4,833,260	33,319	195,602	421,347,985
Provincial	506,854	....	4,406,753	10,506,517	8,075,929	179,468	88,521	27,355	1,463,419	18,638,737	32,726,567	2,340,128	21,231,587	7,773,305	....	7,613,965	6,025,935	....	36,537,882	....	100,195	3,572,454	19,033	95,461	1,888,261	16,969	279,358	164,720,739
Commerce†	1,748,125	189,925	28,158,794	105,376,467	54,480,898	3,396,105	38,102	1,670,246	30,400,235	112,601,993	470,540,006	21,422,208	47,630,550	21,585,167	46,732,958	65,179,650	16,638,428	6,146,027	348,045,783	44,338,779	5,515,399	9,943,514	443,866	371,383	16,397,146	200,000	4,238,081	1,517,190,876
Royal‡	2,530,297	1,944,810	42,206,444	119,004,388	101,96[illegible],169	78,482,665	25,844	14,462,354	64,328,296	158,514,262	501,198,047	37,252,272	77,647,435	32,876,585	128,159,649	131,743,280	15,658,051	32,390,126	421,622,225	119,585,093	1,887,710	10,994,524	274,754	320,947	12,102,735	240,000	7,330,869	2,181,036,794
Dominion	578,748	337	6,329,653	27,896,291	18,370,552	672,139	168	1,653,640	7,450,046	53,573,603	91,112,798	611,980	4,799,184	6,251,137	3,476,321	8,865,559	3,578,436	6,174,853	129,201,192	2,804,805	....	669,661	14,881	22,641	5,957,373	35,100	422,028	391,573,618
Nationale	1,201,157	....	14,729,492	26,742,815	16,990,235	633,921	921,777	25,835	2,076,406	56,063,651	60,633,315	7,756,539	41,052,733	15,078,056	603,376	13,645,773	2,798,561	....	134,689,052	....	....	11,104,305	18,951	372,226	5,894,451	34,215	542,128	415,621,751
Imperial	781,724	....	11,997,768	33,123,023	24,060,645	1,069,904	753,841	691,773	9,938,627	49,020,516	114,992,798	2,714,822	5,702,345	6,024,308	1,850,000	12,941,162	5,697,536	....	167,193,468	151,247	105,724	3,456,726	32,522	....	6,195,251	43,840	77,925	469,560,584
Barclays	4,558	....	243,357	3,123,804	632,397	8,479	255,670	721,404	1,767,423	2,201,205	4,429,618	1,583,531	6,344,548	998,052	1,981,333	250,000	397,029	....	4,365,126	....	....	....	381	....	1,350,158	4,351	21,039	32,092,009
Total	11,160,187	3,354,700	172,200,189	550,919,263	376,566,254	109,473,193	2,088,129	26,063,539	164,110,449	815,533,869	2,099,265,668	136,462,925	330,475,842	136,595,756	256,036,538	410,935,929	75,509,859	70,204,844	1,930,558,520	243,668,852	23,587,013	69,048,563	2,035,531	1,536,891	77,599,783	930,362	19,868,145	8,322,742,606

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

■Includes mortgages.

▲Includes $206,951,103 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement.—Footnote to The Royal Bank of Canada Return.

DIVIDEND NOTICES

BANQUE CANADIENNE NATIONALE

QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of two per cent (2%) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 30th day of November, 1948. This dividend, bearing the number 231, will be payable at the Main office or at the branches of the Bank, on or after the 1st day of December, 1948, to the shareholders of record on November 15, at the close of business.

By order of the Board,
CHARLES ST-PIERRE,
General Manager.

CANADIAN FOOD PRODUCTS LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that the following dividends have been declared:

A dividend of \$1.12½ per share on the outstanding 4½% Cumulative Convertible Redeemable Preference Shares in the Capital Stock of the Company payable on January 1, 1949, to shareholders of record at the close of business on November 30, 1948.

A dividend of 25c per share on the outstanding Class A shares in the Capital Stock of the Company payable on January 1, 1949, to shareholders of record at the close of business on November 30, 1948.

A dividend of .18¾c per share on the outstanding Common shares in the Capital Stock of the Company payable on January 1, 1949, to shareholders of record at the close of business on November 30, 1948.

By Order of the Board.
HOWARD R. DOUGLAS,
Secretary.

Toronto, Ontario,
November 4, 1948.

CANADIAN CELANESE LIMITED

1401 McGill College Avenue, MONTREAL, P.Q.

The Board of Directors has this day taken the following action with respect to dividends:

Preferred Shares, \$1.75 Series

Forty-three and three-quarter Cents (43¾c) per share, which shall be deemed to be for the three months' period from October 1, 1948, to December 31, 1948, has been declared payable December 31, 1948, to the holders of record at the close of business on December 8, 1948.

Preferred Shares, \$1.00 Series

Twenty-five Cents (25c) per share, which shall be deemed to be for the three months' period from October 1, 1948, to December 31, 1948, has been declared payable December 31, 1948, to the holders of record at the close of business on December 8, 1948.

Common Stock

One Dollar and Seventy-five Cents (\$1.75) per share, making a total payment of \$4.00 per share for the year 1948, has been declared payable December 31, 1948, to the holders of record at the close of business on December 8, 1948.

R. O. GILBERT,
Secretary.

November 3, 1948.

IMPERIAL OIL LIMITED

Toronto 1, Ontario

NOTICE TO SHAREHOLDERS AND THE HOLDERS OF SHARE WARRANTS

NOTICE is hereby given that a dividend of 25 cents per share in Canadian currency has been declared, and that the same will be payable on or after the 1st day of December, 1948, in respect of the shares specified in any Bearer Share Warrants of the Company of the 1929 issue upon presentation and delivery of coupons No. 71 at:

THE ROYAL BANK OF CANADA
King and Church Streets Branch,
Toronto 1, Canada.

(For convenience coupons are also negotiable without charge at any branch of The Royal Bank of Canada in Canada.)

The payment to Shareholders of record at the close of business on the 15th day of November, 1948, and whose shares are represented by Registered Certificates of the 1929 issue, will be made by cheque, mailed from the offices of the Company on the 30th day of November, 1948.

The Transfer books will be closed from the 16th day of November, 1948, to the 30th day of November, 1948, both inclusive and no Bearer Share Warrants will be converted into other denominations of Share Warrants during that period.

The Income Tax Act of the Dominion of Canada provides that a tax of 15% shall be imposed and deducted at the source on all dividends payable by Canadian debtors to non-residents of Canada. The tax will be deducted from all dividend cheques mailed to non-resident shareholders and the Company's Bankers will deduct the tax when paying coupons to or for accounts of non-resident shareholders. Ownership Certificates (Form No. 600) must accompany all dividend coupons presented for payment by residents of Canada.

Shareholders resident in the United States are advised that a credit for the Canadian tax withheld at source is allowable against the tax shown on their United States Federal Income Tax return. In order to claim such credit the United States tax authorities require evidence of the deduction of said tax, for which purpose Registered Shareholders will receive with dividend cheques a Certificate of Tax Deduction, and Bearers of Share Warrants must complete Ownership Certificates (Form No. 601) in duplicate and the Bank cashing the coupons will endorse both copies with a Certificate relative to the deduction and payment of the tax and return one Certificate to the Shareholder. If forms No. 601 are not available at local United States banks, they can be secured from the Company's office or The Royal Bank of Canada, Toronto.

Subject to Canadian regulations affecting enemy aliens, non-residents of Canada may convert this Canadian dollar dividend into United States currency or such other foreign currencies as are permitted by the general regulations of the Canadian Foreign Exchange Control Board at the official Canadian Foreign Exchange control rates prevailing on the date of presentation. Such conversion can be effected only through an Authorized Dealer, i.e., a Canadian branch of any Canadian chartered bank. The Agency of The Royal Bank of Canada, 68 William Street, New York City, is prepared to accept dividend cheques or coupons for collection through an Authorized Dealer and conversion into any permitted foreign currency.

The Secretary will on request and when available forward to the holder of any Bearer Share Warrant of the Company a copy of the Company's annual report for the fiscal year.

BEARER WARRANT HOLDERS SHOULD PARTICULARLY NOTE THAT COUPON NO. 70 WAS BY BOARD RESOLUTION DECLARED NOT AVAILABLE FOR DIVIDEND PURPOSES BUT WAS REQUIRED TO BE SURRENDERED AS EVIDENCE OF THE ISSUANCE OF RIGHTS IN CONNECTION WITH THE RECENT SALE OF THE COMPANY'S HOLDINGS IN INTERNATIONAL PETROLEUM COMPANY, LIMITED AND IN CONSEQUENCE COUPON NO. 71 IS DESIGNATED FOR THE PURPOSE OF THIS DIVIDEND.

BY ORDER OF THE BOARD,
COLIN D. CRICHTON,
General Secretary.

56 Church Street,
Toronto 1, Ontario.
November 3rd, 1948.

DIVIDEND NOTICES

CANADIAN WESTERN NATURAL GAS COMPANY LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of Twenty Cents (20c) per share on the Cumulative Redeemable Preference Shares 4% Series of the par value of \$20.00 each of the Company will be paid on the 1st day of December, 1948, to all shareholders of record at the close of business on the 15th day of November, 1948.

DATED at Calgary, Alberta, this 4th day of November, A.D. 1948.

By Order of the Board.
D. K. YORATH,
Secretary.

CONIAURUM MINES LIMITED

DIVIDEND NO. 33

NOTICE IS HEREBY GIVEN that a dividend of Three Cents (3c) per share has been declared by the Directors of Coniaurum Mines Limited payable in Canadian funds on December 10th, 1948, to shareholders of record November 15th, 1948.

By Order of the Board,
A. G. FULTON,
Secretary.

November 2nd, 1948.

Upper Canada Mines Limited

(No personal Liability)

DIVIDEND NO. 24

Notice is hereby given that an interim dividend of two and one-half cents (2½c) per share has been declared on the outstanding capital stock of the Company, payable in Canadian Funds on December 3rd, 1948, to shareholders as of record at close of business November 12th, 1948.

By Order of the Board,
G. F. SUMMERS,
Secretary-Treasurer.

Toronto, November 3rd, 1948.

MATACHEWAN CONSOLIDATED MINES LIMITED

DIVIDEND NO. 5

NOTICE IS HEREBY GIVEN that a dividend of Two and One-half Cents (2½c) per share has been declared by the Directors of Matachewan Consolidated Mines Limited payable in Canadian funds on December 10th, 1948, to shareholders of record November 15th, 1948.

By Order of the Board.
A. G. FULTON,
Secretary.

November 2nd, 1948.

Canadian Breweries Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of fifty cents (50c) per share has been declared on the outstanding Capital Stock of this Company, payable January 1st, 1949, to shareholders of record at the close of business November 30, 1948.

By Order of the Board.
W. C. BUTLER,
Secretary.

Toronto, November 3, 1948.

Fibre Products of Canada Limited

NOTICE OF DIVIDEND

Please take notice that the Directors of the above Company have this day declared a quarterly dividend of 20c per share to be paid to all the common shareholders of the above Company on the 22nd day of December, 1948, and that the payment is to be made to shareholders of record as of the end of business on the 1st day of December, 1948.

Dated at Windsor, this 1st day of November, 1948.

WOLF GOLDSTEIN,
Secretary.

Atlantic Wholesalers, Limited

NOTICE OF DIVIDENDS

The half-yearly Dividend of 2¾% on the Preferred Shares of the Company was declared at a meeting of the Directors held at the Head Office of the Company, Sackville, New Brunswick, on September 17, 1948, payable December 1, 1948, to Shareholders of record November 15, 1948.

The regular quarterly Dividend of 10 cents per share on the Class "A" and "B" Shares of the Company was declared at the same meeting and paid on October 1, 1948.

Auto Electric Service Company, Limited

Class A Shares—Dividend No. 7

Notice is hereby given that a dividend of 12½ cents per share on the Class A shares of the Company has been declared payable on and after December 15th, 1948, to shareholders of record at the close of business on November 20th, 1948.

By Order of the Board,
J. A. STEPHEN,
Secretary-Treasurer.

Dated at Toronto, Ont.,
November 3rd, 1948.

Eddy Paper Company Limited

NOTICE OF DIVIDEND ON CLASS A SHARES

The Board of Directors has declared a quarterly dividend of 25 cents (\$.25) a share on the outstanding Class A Shares of the Company, payable December 15, 1948, to shareholders of record at the close of business on November 15, 1948. Cheques in payment will be mailed to the shareholders of record. Stock transfer books will not close.

R. F. CALDWELL,
Secretary.

Hull, Canada,
November 3, 1948.

Canadian Silk Products Corporation

DIVIDEND NOTICE

This will advise that a Dividend of Thirty-seven and One-half Cents (37½c) per share has been declared on the Class "A" Common Stock outstanding of this Corporation, payable on the 3rd day of January, 1949, to all Shareholders as of record at the close of business on December 1st, 1948, for the period ending December 31st, 1948.

GORDON G. COOKE,
Secretary.

DIVIDEND NOTICES

CENTRAL NORTHERN AIRWAYS LTD.

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a semi-annual dividend of two and one-half per cent (2½%) has been declared on the outstanding five per cent (5%) cumulative preference shares of the Company, payable November 15th, 1948, to shareholders of record at the close of business November 1st, 1948.

AND NOTICE IS ALSO HEREBY GIVEN that a semi-annual dividend of twenty-five cents (25c) per share has been declared on the outstanding Class "A" shares of the Company, payable November 15th, 1948, to shareholders of record at the close of business November 1st, 1948.

By Order of the Board,
F. ROY BROWN,
Secretary.

Winnipeg,
November 4th, 1948.

The Corrugated Paper Box Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of \$1.25 per share on the Preferred Stock of the Company and a quarterly dividend (No. 8) of twenty-five cents (\$.25) per share on the Common Stock of the Company have been declared payable December 1st, 1948, to shareholders of record at the close of business on November 12th, 1948.

Dated this 5th day of November, 1948.

E. R. BLUETHNER,
Secretary.

DIVIDEND NOTICE

BRITISH AMERICAN OIL COMPANY B-A LIMITED

COMMON STOCK

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on the issued No Par Value Common stock of the Company for the fourth quarter ending December 31st, 1948. The above dividend is payable in Canadian Funds, January 3rd, 1949, to shareholders of record at the close of business on the 7th day of December, 1948.

H. H. BRONSDON,
Secretary.

Dated at Toronto,
November 5th, 1948.

DIVIDEND NOTICE

BRITISH AMERICAN OIL COMPANY B-A LIMITED

PREFERRED STOCK

NOTICE is hereby given that a dividend of 23.4375c per share has been declared on the issued Preference Shares of the Company, being at the rate of Three and Three-quarters per cent (3¾%) per annum, for the fourth quarter ending December 31st, 1948. The above dividend is payable in Canadian Funds, January 3rd, 1949, to shareholders of record at the close of business on the 7th day of December, 1948.

H. H. BRONSDON,
Secretary.

Dated at Toronto,
November 5th, 1948.

BRUCK MILLS LIMITED

Bruck

Class "A" Dividend

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 30c per share has been declared on the outstanding Class "A" shares of the Company, payable December 15th, 1948, to shareholders of record as at the close of business on November 15th, 1948.

Class "B" Dividend

A regular quarterly dividend of 7½c per share has been declared on the outstanding Class "B" shares of the Company, payable December 15th, 1948, to shareholders of record November 15th, 1948.

By Order of the Board,
H. STERN,
Secretary.

Montreal, Quebec,
November 3, 1948.

Woods Manufacturing Company, Limited

Notice is hereby given that a quarterly dividend of fifty cents (50c) per share on the No Par Value Common Shares of the Company has been declared for the quarter ending December 31st, 1948, payable December 17th, 1948, to shareholders of record November 17th, 1948.

By Order of the Board.
R. E. LEWIS,
Secretary-Treasurer.

Montreal, October 27th, 1948.

NOTICES

THE DOMINION BANK

Notice of Annual General Meeting

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank, King and Yonge Streets, Toronto, on Wednesday, the eighth day of December next, at 2.30 o'clock p.m.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 14th October, 1948.

CANADIAN CELANESE LIMITED

1401 McGill College Avenue, MONTREAL, P.Q., CANADA

NOTICE OF

SPECIAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a Special General Meeting of the Shareholders of CANADIAN CELANESE LIMITED will be held at the head office of the Company, 1401 McGill College Avenue, Montreal, P.Q., on Thursday, the 9th day of December, 1948, at the hour of 2:30 o'clock of the afternoon, for the purpose of considering and, if deemed advisable, sanctioning, approving and confirming Special By-law "B" subdividing each Common Share without nominal or par value of capital stock of the Company, whether issued or unissued, into four (4) Common Shares without nominal or par value and authorizing the officers of the Company to apply for Supplementary Letters Patent confirming such By-law.

By Order of the Board,
R. O. GILBERT,
Secretary.

Montreal, P.Q., November 3, 1948.

Only Common Shareholders of record on the transfer books of the Company at the close of business on November 3, 1948, will be entitled to vote at the above-mentioned Special General Meeting of Shareholders.

Alberta Hail Insurance Board To Pay Pol'holders Dividends

From Our Own Correspondent

CALGARY—For what is believed to be the first time in the history of the hail insurance business, the Alberta Hail Insurance Board has reached a point where it can pay dividends or rebates to policyholders, J. Glen Elder, chairman and manager of the board, reports.

The Alberta Hail Insurance Board, a co-operative, responsible to the Alberta Government, set as its objective a reserve equal to an average year's premium income when it was organized 10 years ago.

Premium income this year was \$1,293,000 compared with \$1,680,000 in 1947; but last year losses and expenses totaled \$1,911,000, while this year only \$605,000 has been paid out. This means that the Board has reached its reserve objective and, henceforth, half a year's premium earnings will be repaid policyholders and the remainder added to the reserve fund.

In 1947 the Board's reserves were depleted to the extent of \$231,000, but were increased this year by \$688,000, bringing them to \$1.6 millions.

Amount to be paid back to policyholders this year will not be great. Policyholders who paid cash for their hail insurance will receive 10% rebates, while those who paid in installments will receive a 5% rebate.

Last year the Hail Insurance Board had 16,174 policyholders. This year there were only 12,767, due to the poor state of the crop early in the year. In 1947, 30% of policyholders were hailed out; this year the figure is only 7%.

The Alberta Hail Insurance Board handles about 75% of all hail insurance in Alberta and has its head office in Calgary. Private companies handle the remaining 25%.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

OGILVIE FLOUR MILLS net profit for the year ended Aug. 31, 1948 was up slightly at \$1,235,651 (\$1,213,371). Gross earnings from operations were well maintained but the net was down somewhat, due in large part to an increase in regular deduction for depreciation on buildings and machinery; double rates were charged where permissible. On the other hand, there was an increase in income accounts amounting to \$182,062. Considerable profits were also realized on investments sold, the annual report states. These factors, coupled with lower income tax provision, increased net profit \$22,280.

Of the net profit of \$543,737 on investments sold, \$450,000 was appropriated for special purposes—\$200,000 to write down other assets, \$150,000 to increase depreciation and \$100,000 to provide for special advertising, leaving \$84,737 carried to earnings for the year.

There was a sharp fall off in both export and domestic flour business as compared with previous year; and the short crop resulted in much smaller handlings of wheat and coarse grains through company interior and terminal elevator system. This was partly offset by a satisfactory volume of feed business, and introduction of several new lines of specialty food products.

Outlook for the future, particularly as regards export business, is clouded by the increasing scarcity of dollars in the hands of importing countries with whom Canada is most anxious to trade, it is said. Should this business be curtailed, as now seems likely—principally because of a breakdown in international exchange—costs will rise sharply in Canada and higher prices will be inevitable, the report states.

INCOME ACCOUNT

Years Ended Aug. 31:	1948	1947
Oper. profit	\$1,117,743	\$1,202,565
Inv. income	825,744	643,682
Prof. invest. sale‡	84,737	55,390
Less: Deprec.	582,573	278,266
Pension fund	......	40,000
Income tax res.	210,000	370,000
Net profit	1,235,651	1,213,371
Less: Pref. divds.	140,000	140,000
Common divds	600,000	600,000
Surplus for year	495,651	473,371
‡After appropriations for:		
Other assets w/o	200,000	......
Addit. deprec.	150,000	100,000
Spec. advertising	100,000	......
Earnings per Share and Dividend Record:		
Preferred	\$61.78	\$60.67
Paid	7.00	7.00
Common	1.83	1.79
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at Aug. 31:	1948	1947
Cash	\$29,736	\$160,485
Accts. rec.	3,133,055	3,315,382
Investments‡	2,385,264	2,494,189
Inventories	3,975,616	3,195,612
Total curr. assets	9,523,671	9,665,668
Other invests., etc.▲	1,853,632	1,408,557
Fixed assets†	8,710,756	6,891,512
Total assets	20,088,059	17,965,737
Bank loans	2,597,329	1,391,749
Accts. & tax. pay.	2,452,434	1,927,275
Dividend pay.	185,000	185,000
Total curr. liab.	5,234,763	3,504,024
Rest. acct.	5,000,000	5,000,000
Capital stock	4,500,000	4,500,000
Surplus▲	5,353,296	4,961,713
†After depr. of	6,981,734	6,264,471
‡Market value	10,503,000	11,031,000
▲Incl. ref. EPT	188,101	188,101
Note: Commitment for uncompleted portion of plant under construction \$1,144,769 at Aug. 31, 1948.		
Working capital	4,288,908	6,161,644

HAYES STEEL PRODUCTS net profit for the year ended July 31, 1948 was up \$165,288 at \$402,903. Operations were not interrupted as in previous years, with result that sales were at their highest point since end of war.

Accounts receivable on prior years' adjustment of excess profits taxes has been paid, thereby improving company's cash position. First installment of refundable portion of excess profits taxes, of approximately \$10,000 has been paid, and this rebate was applied against amount owing Dominion Government for purchase of fixed assets. Rebate this year will be approximately \$175,000, and deferred liability for purchase of fixed assets will be reduced accordingly.

One of buildings at company's Thorold plant site, purchased in 1945, has been reconditioned and made available for the clutch and press-stampings departments, thereby making space available at the Merritton plant for new and increased business. An increase in capacity of galvanizing equipment became necessary, and an additional unit was installed, as was a carbonitriding furnace for a new and efficient process of heat treating. These expenditures, together with other equipment of a general nature, have increased value of fixed assets by \$359,400.

CONS. INCOME ACCOUNT

Years Ended July 31:	1948	1947
Net earnings	\$887,156	\$593,212
Less: Depreciation	266,253	257,597
Income tax	218,000	98,000
Net profit	402,903	237,615
Less: Dividend	45,000	45,000
Surplus for year	357,903	192,615
Earnings per Share and Dividend Record:		
Common	\$4.48	\$2.64
Paid	0.50	0.50

CONDENSED CONS. BALANCE SHEET

As at July 31:	1948	1947
Cash & Dom. bds.	\$422,144	\$20,999
Accts. rec.	711,616	626,008
Tax adjust. rec.	......	508,616
Inventories	1,948,762	1,921,831
Total curr. assets	3,082,522	3,077,454
Misc. assets▲	538,379	518,923
Fixed assets†	1,179,311	1,094,928
Total assets	4,800,212	4,691,305
Bank loan	......	325,000
Accts. & tax. pay.	591,464	506,655
Total curr. liab.	591,464	831,655
Def. purch. re plant	391,659	400,595
Capital stock	168,480	168,480
Capital surplus	615,425	615,425
Earned surplus‡	3,033,184	2,675,150
†After depr. of	3,180,443	2,986,034
▲Incl. ref. EPT	391,659	401,144
‡Incl. ref. EPT	401,275	401,144
Working capital	2,491,058	2,245,799

PACIFIC COYLE NAVIGATION CO., Vancouver, net profit for year ended June 30, 1948, was off substantially at \$9,394 (\$26,766). Gross revenues were \$790,862, against \$589,584 for previous year. Rising trend in costs has continued and has been apparent not only in wages and increased price of fuel oil, but also in ships' stores and charges for shipyard repairs. Owing to high cost of repairs, directors have deemed it advisable to insure the fleet fully. There has been no upward revision in towing rates since advance of Sept. 22, 1947. Owing to continued rise in costs, the company believes a further increase in rates may be expected shortly.

The former tug Keosanqua was acquired from the U. S. Maritime Commission and the former steam tug D.B.M. was converted to a Diesel tug.

INCOME ACCOUNT

Years Ended June 30:	1948	1947
Net earnings	\$50,296	\$62,644
Less: Depr.	33,602	32,993
Income tax	7,300	3,000
Add: Prof. on secs.	......	115
Net profit	9,394	26,766
Less: Divds.	13,203	......
Surplus for year	•3,809	26,766
•Loss or deficit.		
Earnings per Share and Dividend Record:		
Earned	\$0.022	\$0.062
Paid	0.03	......

CONDENSED CONS. BALANCE SHEET

As at June 30:	1948	1947
Cash	\$197	\$38,478
Accts., etc., rec.	182,827	97,584
Inventory	30,236	24,180
Total curr. assets	213,260	160,242
Def. charges	12,814	2,819
Fixed assets*	386,017	316,207
Goodwill	5,010	5,010
Total assets	617,101	484,278
Bank overdraft	54,212	......
Accts., tax, etc., pay.	143,329	63,900
Total curr. liabs.	197,541	63,900
Capital stock	440,104	440,104
Capital surplus	45,020	42,029
Less: Deficit	65,564	61,755
*After depr of	577,179	744,112
Working capital	15,719	96,342

Davis Leather Changes Board

Election to the board of directors of Davis Leather Co., Newmarket, of Kaspar Fraser, K.C., Toronto, and George P. Watt, Montreal, has been announced by President James A. Gairdner. The new directors succeed Aubrey Davis, Andrew Davis and E. J. Davis, who, at time of sale to present controlling interest, agreed to continue to serve for a period.

Douglas J. Hutchings, Winnipeg, has been appointed general manager of the company. He was associated for 30 years with the Great West Saddlery Co., Winnipeg, and for last 12 years has been vice-president and general manager of that company.

Company sales increases noted earlier in the fall, have continued at an accelerated rate; and orders booked, are currently running ahead of production, a company report states.

COMMERCIAL ALCOHOLS advises that a further 2,500 common shares of capital stock have been issued to Industrial Development Bank against an allotment of 25,000 shares. This makes a total of 22,500 shares taken up under the allotment. Outstanding shares total 337,500 shares, leaving 62,500 shares in the treasury.

PURITY FLOUR MILLS LTD. has purchased in the open market and redeemed and canceled an additional 50 preference shares, reducing number outstanding to 36,950.

DIVIDEND NOTICES

FITTINGS, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a semi-annual dividend of thirty cents (30c) per share has been declared on the outstanding Convertible Class "A" Shares, No Par Value, of the Company, payable Jan. 1, 1949, to Shareholders of record, Monday the 6th day of December, 1948.

By Order of the Board.
D. D. STORIE,
Secretary-Treasurer.

Dated at Oshawa,
November 3, 1948.

FRED B. CLARK

has been appointed a director of Unique Crests & Athletic Supplies Ltd.

Sumner Forms Propane Gas Co For Maritimes

A new company, Sumner Propane Gas Ltd. has been formed to bottle and distribute propane gas in the Maritime provinces, the first of its kind in the Maritimes, M. P. Fraser, vice-president of Sumner Co. states.

Capitalization will be \$250,000, consisting of 2,500 shares no par value. The company will be privately controlled by the Sumner interests.

The new plant, which is being constructed at Victory Industrial Centre, Moncton, N.B., will necessitate installation of 30,000 gallon specially constructed storage tanks for liquid propane under pressure, Mr. Fraser states. These tanks, made in United States weigh over 70,000 lb. each. The plant will also entail construction of new buildings to house the special L.P. gas compressors and pumps, and all equipment necessary for the bottling operation.

Construction of the new plant is progressing rapidly, and cylinder filling operations will be under way before the end of the year, Mr. Fraser states. The new plant will be under the supervision of William Firner, engineer with many years experience in the propane field.

The company intends to establish dealers for bottled gas throughout the Maritime provinces, Mr. Fraser states.

MSE Shorts Show Increase

MONTREAL (Staff) — Montreal Stock Exchange reports show short position of 8,122 shares of 37 issues as at Oct. 31, 1948, compared with 5,425 shares of 34 issues on Oct. 15. Chief changes include:

Stock	Shares	Stock	Shares
Bell 'Phone	+647	Int. Paper	150
C. Ind. Alc. B	—175	Int. Pete.	+1,350
Can. Loco.	+225	Mont. Loco.	+775

Short interest on the Montreal Curb market totaled 40,250 shares of 24 issues against 39,844 shares, 27 issues, Oct. 15. Chief changes include:

Stock	Shares	Stock	Shares
Base Metals	+4,500	E. Sullivan	+1,400
Bobs Lake	—5,000	Fed. Grain	+150
Can. Vickers	+500	Maple Leaf M	+100
Cons. Homestead	—1,000	Que. M'g'ese	+3,600
		Un. Asb.	—1,200

Summaries of the short positions of these exchanges on Oct. 31 show:

MONTREAL STOCK EXCHANGE

Stock	Shares	Stock	Shares
Abitibi \$1.50 pf.	200	Ham. Bridge	200
Algoma	425	Howard Smith	50
Aluminium	75	Imperial Oil	100
Asbestos	125	Int. Nickel	275
Bell Telephone	647	Int. aper	300
B. A. Oil	50	Int. Pete	1,450
B. C. Power B	100	Massey-Harris	50
Bruck Mills A	25	McColl	50
Bruck Mills B	25	Mtl. Tramways	5
Bldg. Products	25	Mtl. Loco.	800
Can. Cement	875	Nat. Brew.	50
C. Steamships	275	Nat. Steel Car	50
Candn. Car	225	Price Bros.	100
Candn. Celanese	25	Shawinigan pfd.	25
Can. I. Alco. B	25	So. Can. Pwr.	50
Can. Loco.	425	Winnipeg Elec.	490
C.P.R.	200		
Can. Vickers	25	TOTAL	8,122
Cons. Smelters	55		
Dom. Stores	75	ISSUES	37
Dryden	175		

MONTREAL CURB MARKET

Stock	Shares	Stock	Shares
Base Metals	9,500	Hollinger	50
Brown Co.	1,600	Lowneys	600
Burnett	175	Macdonald	4,740
Can. Vickers	800	MacLaren	175
Candego	500	Maple Leaf	100
Comm. Alco.	1,900	Minn. & Ont.	50
Cons. Paper	770	Nicholson	500
Cons. Textile	100	Normetal	100
E. Sullivan	3,200	Que. M'n'gese	4,600
Elder	1,000	Un. Asbestos	4,800
Eldona	3,500		
Fed. Grain	150	TOTAL	40,250
Fraser	240		
Gaspe Oil	1,100	ISSUES	24

ASBESTOS CORP. advises that a special general meeting of shareholders will be held at head office, Dec. 2, 1948, to sanction bylaws providing for an increase in the number of directors from nine to ten and an increase in the annual directors from three to four and to provide for a chairman.

Grain Prices

Winnipeg Grain Futures

Week to Nov. 1, 1948

Crop year from Aug. 1, 1948 High	Low		High for week	Low for week	Close Nov. 8
		Oats			
.81¼	.68⅞	Dec.	.78¼	.74⅝	.78
.76¾	.70¾	May	.75½	.73½	.75¼
.73⅛	.72⅛	July	.73⅛	.72⅛	.72⅜
		Barley			
1.13¾	.98	Dec.	1.13¾	1.08½	1.13½
1.09⅛	1.05⅝	May	1.09⅛	1.06⅜	1.08¾
1.07½	1.05⅛	July	1.07½	1.05⅛	1.06¾
		Rye			
1.99⅞	1.39⅛	Dec.	1.75¼	1.65⅛	1.68¾
1.79	1.40½	May	1.73¾	1.65¾	1.68⅜
1.73	1.40½	July	1.70	1.62	1.63⅜
		FlFax			
4.32½	4.00½	Nov.	4.00	4.00	4.00
4.27½	4.00½	Dec.	4.00½	4.00½	4.00½
4.05	4.02	May	4.05	4.02	4.05

Cash Quotations

	For Week Nov. 8 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.83	.79½	.82⅞	.78⅝
3 C. W.	.83	.79	.80⅛	.77⅜
Barley				
1 Feed	1.18½	1.12¼	1.12⅝	1.09⅜
2 Feed	1.16⅛	1.09⅛	1.10⅛	1.07⅜
Rye				
2 C. W.	1.68	1.65⅛	1.74½	1.63
Flax				
1 C. W.	4.00	4.00	4.00	4.00

Federal Grain Questioning Is Postponed

From Our Own Correspondent

WINNIPEG—Discovery examinations of H. E. Sellers, president of the Federal Grain Co. and of W. R. Strachan, secretary of the Alberta Pacific Grain Co. Ltd. (1943) have been adjourned until after the Federal Grain annual meeting.

The examinations are being made in connection with the suit started against Federal Grain Co., its subsidiary companies, and its directors, by a group of minority shareholders, seeking to set aside certain stock transfers, which have been the subject of controversy for two and a half years.

The Alberta Pacific Grain Co. Ltd. (1943), a wholly-owned subsidiary of Federal Grain, is one of 16 defendants named. Mr. Strachan although not a defendant, is subject to examination as an officer of the company. Both examinations were adjourned to enable production of more information.

JOHN A. McDOUGALD

of Taylor, McDougald & Co. Limited, who has been elected a director of Purity Flour Mills Limited. Mr. McDougald is Chairman of the Board of Commonwealth Electric Corporation, President of Torcan Investments Limited, Vice-President of Crown Trust Company and Orange Crush Limited, and a director of Brompton Pulp & Paper Company, Dominion Stores Limited, Federal Commerce & Navigation Company, Lake St. John Power & Paper Company, McKenzie Red Lake Gold Mines, Powell Rouyn Gold Mines, Rogers Radio Broadcasting Company, St. Lawrence Corporation, St. Lawrence Paper Mills Company and Standard Chemical Company. *

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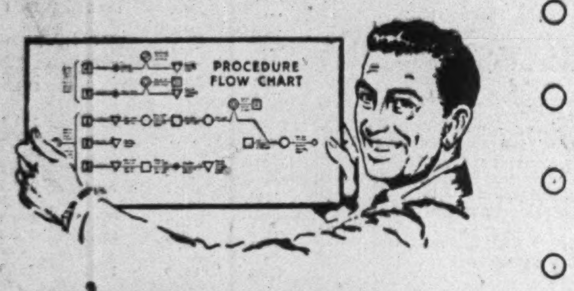

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Inflation's Effect on the Railways

What basic facts must be considered in connection with freight rates in Canada? At the recent Chamber of Commerce convention in Vancouver, the railways' position in Canada's economy was discussed by John L. McDougall, associate professor of commerce at Queen's University. P. C. Armstrong, economist of the Canadian Pacific Railway, reviews the railway freight rate structure. Here are digests of their views:

BY JOHN L. McDOUGALL

The railways cannot be sheltered from the operation of a general force like the present inflation; and if they could, it would not be desirable to do so. They are members of the whole economic community and must bear the consequences of these broad policies.

To date, the general public response has been that the railways are a prosperous industry and can therefore bear the consequences of rising costs without a proportionate increase in their own selling prices — the freight rates and passenger fares which they charge for services rendered.

There seems to be a very general feeling that the railways have been, and now are, so prosperous that they can continue to absorb increases in their costs while their selling prices remain close to 1939 levels. How true is it?

Here is a 20-year record of the work done by the railways for the rest of the community as compared with the nearest thing to an all-inclusive index of production in Canada.

INDEXES OF INDUSTRIAL PRODUCTION AND OF RAILWAY PRODUCTION, 1926-1946
(1935-1939=100)

Year	Ind. prod.	Rlwy. prod.
1926	85.6	131.3
1927	90.2	134.1
1928	100.9	156.3
1929	108.8	133.4
1930	92.3	112.6
1931	77.2	95.2
1932	63.2	84.7
1933	65.7	77.8
1934	80.0	86.0
1935	86.0	89.3
1936	95.3	97.3
1937	108.0	100.4
1938	102.1	99.1
1939	109.3	113.8
1940	130.2	137.5
1941	157.2	183.8
1942	185.3	216.3
1943	198.6	252.2
1944	198.8	261.1
1945	176.3	249.3
1946	159.2	211.2
1947	175.5	220.2

If you will study that table carefully, you will, I think, agree that the railways have been keeping up with the procession in the amount of service they have given.

I ask you next to look at the share of the railways in the National income:

RAILWAY GROSS REVENUES AS A PERCENTAGE OF THE NATIONAL INCOME, 1926-1946

Year	Freight rev.	Pass. rev.
1926	8.74	1.99
1927	8.37	1.91
1928	8.71	1.76
1929	8.21	1.71
1930	7.70	1.59
1931	7.99	1.46
1932	8.39	1.41
1933	8.44	1.34
1934	8.06	1.22
1935	7.56	1.11
1936	7.43	1.04
1937	6.73	0.97
1938	6.42	0.93
1939	6.67	0.84
1940	6.36	0.81
1941	6.39	0.91
1942	6.00	1.09
1943	6.25	1.36
1944	5.95	1.36
1945	5.72	1.28
1946	5.45	1.02
1947	(p)5.53	(p)0.80

You will see the picture of an industry that is rapidly losing position. Not even the war was able to stop the retrograde movement in the freight services.

If the preceding tables mean anything at all, they say unmistakably that the railways are an industry whose long-term trend is one of relatively declining income. At that, they seem also to be compelled to give more service for each dollar they earn. In the short-run they also face a lag in their selling prices behind their costs — which is the immediate cause of difficulty.

The Problem as a Whole

I wish to fight shy of individual rate adjustments and to put to you instead certain very broad generalizations which I think you will wish to respect in formulating your conclusions on the railway problem as a whole. They are:

1. Transportation is one of the costs of production quite as clearly as the cost of raw materials or the wages and other costs paid for processing them in factories, or the sums received by wholesale and retail trade in moving the goods into the hands of ultimate consumers.
2. A charge for service is one of the necessary ways of compelling those who ask for service to use what they get effectively and carefully.
3. Every traffic carried should be compelled to bear the full out-of-pocket costs of its movement. Unless it does, it must be bonused by the other traffics.
4. The receipts from all services rendered should cover the whole costs of the railway enterprise including the wholly fixed costs represented by a return upon the capital devoted to the public service.

I put those forward as being at least an outline of a long-term policy.

That may mean higher freight rates. So far as I can see, it almost certainly will; but since the choice is between letting those people who use railway services pay for them directly or to subsidize the railways out of the Dominion treasury, I declare myself ready to embrace higher freight rates as the lesser of two evils. I know no other way of making those who get service temper their demands with reason. I believe that the expenditures of the Dominion Government are now much too high.

BY P. C. ARMSTRONG

The system of pricing which has been applied to freight rates in Canada is entirely logical, based on very simple principles, and is extremely flexible. It is kept up to date by constant revisions, perhaps more completely than any other general system of prices.

The freight rate structure in Canada is necessarily complex, as it includes the establishment of literally hundreds of millions of individual freight rates. A system of pricing which covers the movement of thousands of different commodities, in different quantities, between many hundreds of railway stations, is bound to be a very complex one indeed. That does not mean that it is chaotic, and that can easily be proved.

The freight rate structure built up under The Canadian Railway Act is based on a complex of assumptions. It starts with the idea of fixing rates so that the resulting total income of the railways will be large enough to provide them with revenues equal to expense, plus an undefined rate of return on invested capital.

Expenses are fixed — except to the extent that there is opportunity to raise or lower them by technological and/or managerial skill.

Where Does Investor Stand?

The return on invested capital, as established in various decisions of the Board of Transport Commissioners, has been, for long enough to make it certain that the principle affects all existing freight rates, set so as to permit the Canadian Pacific Railway to earn, under conditions of general prosperity, less than a sufficient net income to induce investors to be willing to pay par for a stock issue probably amounting to less than one third of the actual capital invested in the railway lines, after providing for the service of a debenture issue bearing 4% interest. Considering that the Canadian Pacific Railway has large investments in profitable nonrailway activities, and that its few apparently unprofitable ventures are, in most cases, highly valuable indirectly in obtaining traffic, it seems fair to conclude that the return on invested capital has not been a factor in keeping freight rates unduly high.

How Railways Set Charges

It has often been alleged that railways charge what the traffic will bear. They follow, in this respect, the practice of every individual or institution in setting selling prices for goods or services. Railways are not interested in charging more than the traffic will bear, as they live by traffic and have no interest in destroying it. It is difficult to see why they should charge less than the traffic will bear — unless they are making profits which cannot be used advantageously to improve their power to move traffic cheaply and efficiently enough to permit steady development of national resources, after paying a return on capital investment in accordance with the established general rate of return on risk capital.

Following this principle of adjusting freight rates to what the traffic will bear, there has been set up a framework of rates which is intended to give the railways the same revenue for moving a ton of a certain general class of goods a mile. This principle is modified to the extent that the rate per ton per mile almost always lessens as the mileage increases.

Different scales of rates have been established for different areas—i.e., for Eastern and Western Canada.

In mountain territory the scale of rates is higher because of extremely high costs of operation.

These basic class-rates have then been modified by the railways still farther — following the principle of trying to charge what the traffic will bear. The modification has been, in practically every case, to reduce the class-rates, by the establishment of special commodity rates, covering the movement of certain goods between certain points, where it has been the opinion of the railways that, without such modification, traffic movements of a remunerative type would not occur at the standard class-rates. Commodity rates less than standard class-rates affect the greater part of the total volume of freight traffic in Canada.

Other Downward Movements

Yet further modification downward of class-rates has occurred, in cases where the railways have not felt that it was necessary in order to move traffic, because The Canadian Railway Act forbids unjust discrimination between individuals or communities.

All modifications of rates intended to gain or retain traffic must be made under the general principle laid down by the Board of Transport Commissioners, that the railways may not fix actually unremunerative rates. That is, rate-cutting must not proceed to the point where the railways deliberately carry traffic at a loss.

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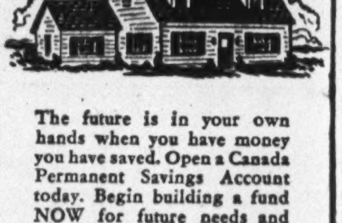

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THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

WEEK ENDING NOVEMBER 5

Range 1948 High	Low	Div Rate $	Nov 5 Y'ld %		Sales	Last Oct 29	Week end. Nov. 5 H	L	Cl'se
19¾	12½	.	...	Abitibi N.	5780	16¾	17½	16½	16½
21½	17¼	1.50	7.6	Do. $1.50 p.	6765	19¾	20	19¾	19¾
24½	16½	1.00	4.3	Acadia Atl. A	3830	23½	24	23½	23½
102½	97	5.00	5.0	Do. 5% pref.	125	100	100¾	100	100
9½	7½	†.52	..	Agnew Surp.	75	9	9½	9	9½
59½	33½	.	...	Algoma Steel	3135	55	56	53	53½
25¾	24	1.00	4.0	Alum. of C. P	1785	25¾	25½	25½	25½
65½	43	2.00	3.4	Aluminium N.	7125	60½	61½	59	59½
10	6½	†▲.15	..	Andian Nat.	100	8¾	8¾	8¾	8¾
49	44	2.25	4.9	Ang. Can. T. p	26	45½	46	45	46
23¾	15	†1.00	..	Ang. Newf'dl'd	100	22	22	21	21
7¾	5½	.60	9.1	Argus	1340	6¾	6½	6¾	6¾
83	65	4.50	6.7	Do. 4½% p.	70	66	67	66½	67
.75	.20	.	...	Do. warr.	100	.35	.35	.35	.35
30	24½	1.00+†.15		Asbestos	1442	27	28	26¾	26¾
14¾	11	.60	4.4	Ashdow. Hdwe.	760	13¾	14	13	13¾
.35	.30	.	...	Do. Rts.	9705	....	.35	.30	.33
13½	10	1.00	7.8	Atlas Steels	3870	12½	13	12¾	12¾
9	7½	.50	5.9	Auto Electric A	50	9	8½	8½	8½
10½	8½	.60+.40		Auto Fabric A.	50	9	10	10	10

Range 1948 High	Low	Div Rate $	Nov 5 Y'ld %		Sales	Last Oct 29	Week end. Nov. 5 H	L	Cl'se
17	16	†.75	..	Gen. Product A	5	16	16½	16½	16½
105¾	100	5.00	5.0	Do. pref.	10	100	100¾	100¾	100¾
17½	14	.80+†.20		Gen. St. Wares.	235	15½	15½	15	15
106½	99	5.00	4.9	Do. pref.	5	103	103	103	103
53	49	2.00	3.9	Goodyear T. p.	385	53	52½	52	52
11	10	.50	4.6	Gord. MacK. A	100	10¾	11	11	11
20½	18½	1.00	5.3	Grafton 'A'	75	18½	19	19	19
20½	15¾	†1.20	..	Gt. Lakes Pap.	1710	18½	18	17½	17¾
45	40½	2.50	5.8	Do. 'A' pref.	260	43½	43½	42½	43
15¾	10½	1.00	6.5	Gt. West Coal	150	15½	15½	15½	15½
5	4	.20+†.05		Greening Wire	560	4¾	5	4¾	5
17½	13	1.00	6.1	Gypsum. Lime	1660	16¾	16¾	16½	16¾
9¾	6	.50+†.25		Ham. Bridge	330	9	9	8¾	8¾
12½	9½	.80	7.0	Harding Carpet	130	11½	11½	11½	11½
34	20	†1.00	..	Hayes Steel	340	31½	31	29	29
20½	18	1.00	5.1	Hinde & Dauch	75	20	19½	19½	19½
35	9	.	...	Ho. De LaSalle	2	14	15	15	15
35¾	23½	2.00	6.1	H. Smith Pap.	2055	33¾	34	32¾	33
49	44	2.00	4.3	Do. pref.	120	47½	47½	47	47
10¾	7	.30	3.8	Hunts "A"	100	7½	8	8	8

Range 1948 High	Low	Div Rate $	Nov 5 Y'ld %		Sales	Last Oct 29	Week end. Nov. 5 H	L	Cl'se
4½	2½	.	...	Do. "B" n.	50	2¾	2½	2½	2½
45	34½	1.50	3.8	Zellers	25	40	40	40	40
27½	25½	1.25	4.9	Do. 5% pref.	25	25½	25½	25½	25½

*On arrears. ‡Extra paid or payable. ▲N. Y. funds.
†Paid or payable in 1948.
♦Paid in 1947. ¶Net after income taxes.
•Dividend deferred ♦♦For each 20 shares held
▪Payable in 1949.
†† Plus special divids. of $70 per sh. on 1927 issue and approx. $2.10 per sh. on 1939 issue.

Mining Stocks

Week Ended November 5

Range 1948 High	Low	Div. $	Nov. 5 Yield %	Company	Sales	Last Oct. 29	Week Ending Nov. 5 High	Low	Close
.90	.55	....	....	Akaitcho	1,700	.70	.65	.65	.65
.13	.03	....	....	Alger	20,500	.04½	.05	.04½	.05
.38	.10	....	....	Amal. Lard.	8,100	.18	.21	.19	.20
.45	.22½	....	....	Amer. Neph.	1,600	.30	.33	.30	.33
.19	.08	....	....	Amer. Y.K.	198,300	.15	.19	.14½	.16
.65½	.49	....	....	Anacon Lead	517,600	.51	.65½	.51	.60
9.20	8.25	.20	2.2	Anglo-Hur.	125	9.00	9.00	9.00	9.00
.68	.30	....	....	Anglo-Rou.	500	.36	.33	.33	.33
.06	.03	....	....	Ansley	2,500	.03	.03	.03	.03
.21	.05	....	....	Area	4,000	.17	.18	.15½	.17

Oil Stocks

Range 1948 High	Low	Div. $	Nov. 5 Yield %	Company	Sales	Last Oct. 29	Week Ending Nov. 5 High	Low	Close
.13	.05	....	....	Hargal	23,500	.06½	.07½	.06½	.07½
.15½	.07	....	....	HighSarcee	26,800	.09½	.10	.08½	.09½
12.62½	5.25	†.50	....	Home	86,581	10.75	12.62½	10.87½	11.75
.15	.04	....	....	Jump Pound	2,000	.07	.07	.07	.07
.18½	.13½	....	....	Leduc Cal.	10,000	.14	.15	.14	.14
.23½	.10	....	....	Leduc Cons	23,500	.20½	.23½	.19½	.23½
1.19	.60	†.04	....	Leduc West	59,300	.87	.98	.87	.90½
.16	.07½	....	....	McD. Segur	30,715	.14½	.16	.14	.16
.08½	.02½	....	....	McLeod	14,629	.03½	.03½	.02½	.03½
.17	.08	....	....	Mercury	64,740	.12½	.16	.09½	.16
.11	.05½	....	....	Midcont.	142,100	.06	.08	.06	.07½
.15½	.07	....	....	Mill City	8,250	.12½	.14½	.11½	.14
.50	.22	....	....	Model	49,135	.38	.50	.37	.44
.38	.18	....	....	Nat. Pete	33,300	.29	.36	.27	.34
.33	.07	....	....	N. Pacalta	200,967	.12	.13½	.11	.11
.10	.05	....	....	New Ranch	66,100	.09½	.09½	.08½	.08½
1.84	.90	....	....	Okalta	3,925	1.49	1.60	1.40	1.47
2.38	.80	.10	4.5	Pac. Pete.	237,498	1.86	2.38	1.87	2.24
.05	.02½	....	....	Philips P.	19,000	.04½	.05	.04½	.05
.20	.08	....	....	Princess P.	35,800	.19	.19½	.17	.19½
.06	.02½	....	....	Richfield	50	.02½	.03	.03	.03
.52	.23	....	....	Roxana	28,900	.45	.43	.38	.38
.15	.07	....	....	Royal Can.	88,800	.09½	.10½	.09½	.09½
.05	.01	....	....	Royal Crest	2,500	.01	.03	.03	.03
27.50	16.00	1.00	4.0	Royalite	200	25.87½	25.50	24.50	25.00
.10	.05	....	....	Share Roy.	11,980	.06	.07	.06½	.07
.24	.10	....	....	So. Braseau	84,000	.22	.24	.21	.24
.70	.24	....	....	So. West Pete	300	.30	.35	.35	.35
.20	.12	....	....	Spooner	3,635	.16½	.18	.17	.18
.18	.08	§.01½	....	Sunset	18,550	.15½	.17	.16	.17
.34	.22	....	....	Superior	19,000	.27	.28	.26	.27
1.50	1.15	....	....	Texas Can.	80	1.20	1.20	1.20	1.20
.55	.20	....	....	Turner V.	500	.42½	.40	.40	.40
.15½	.06	....	....	United Oils	41,335	.11	.15	.10½	.14
.23	.12	....	....	Vanalta	9,000	.20	.23	.20½	.23
.36	.20	....	....	Vulcan	1,170	.22	.25	.22	.25
.14	.05	....	....	Warner	1,500	.09	.09	.08	.09
.08	.03	....	....	Wellington	200	.05	.04	.04	.04

* N. Y. Funds: z Extra: ‡ Capital Repayment. ‡Paid in 1946.
§ Paid in 1947: † Paid or payable in 1948 or 1949

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Nov. 8	510,100	1,950,000	297,896	292,349	1,380,000
Nov. 6	165,600	892,000	89,767	86,771	1,080,000
Nov. 5	597,100	2,549,000	373,620	206,118	3,100,000
Nov. 4	487,700	2,955,000	405,843	177,558	1,860,000
Nov. 3	422,100	1,833,000	207,093	148,407	3,920,000
Nov. 2	378,100	2,383,000	261,132	188,925	....

STOCKS NOT TRADED THIS WEEK

BU SINESS BAROMETER

	OCT.	SEPT.	AUG.	JULY	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	199.6	194.9	219.0	210.9
Dominion total expend.	....	184.4	153.3	162.1	175.1
MERCHANDISING					
Dept. store sales index no. (1)	....	....	194.9	219.0	220.4
Retail store sales index no.	....	....	239.6	246.6	223.9
Country store index (no.)	....	....	....	249.3	228.3
Wholesale sales index (no.)	....	....	....	284.9	276.8
FINANCE					
Dividend payment index (5)	204.3	202.1	201.9	201.8	174.4
Money supply (millions $)	....	....	....	4,002	3,618
NEWSPRINT CAPACITY					
Production ratio	....	103.8	103.3	103.9	104.0
Shipment ratio	....	107.1	105.1	100.8	107.8
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	....	170.9	203.2	210.8	163.0
Cars (D.B.S.)	....	150.5	155.0	166.4	146.4
COST OF LIVING					
▪D.B.S.	159.6	158.9	157.5	156.9	142.2
EMPLOYMENT INDEX					
All industries	....	201.2	200.8	198.0	192.2
Manufacturing	....	209.0	206.2	207.2	202.3
Payrolls (June 1/41=100) (2)	....	208.2	206.5	203.0	180.1

	1948	1947	1948	1947	% Change
RAILWAYS—(000's omitted)					
▪Carloadings (week Oct 30)	91.6	89.8	3,437.3	3,314.4	+3.7
C.N.R. gross rev. (Sept.)	43,843	36,483	354,548	323,772	+9.5
C.N.R. net rev. (Sept.)	4,773	2,467	7,826	28,282	—72.3
C.P.R. gross rev. (Sept.)	33,999	27,773	255,587	232,928	+9.7
C.P.R. net rev. (Sept.)	2,300	960	5,815	10,602	—45.2
IRON AND STEEL PRODUCTION (000's omitted) (Sept.)					
▪Pig iron production (tons)	182	170	1,593	1,467	+8.6
▪Steel production (tons)	258	234	2,361	2,184	+8.1
CONSTRUCTION (000's omitted)					
Contracts awarded (Sept.)	79.7	76.2	744.2	548.2	+35.7
Cement prod., bbls. (Aug.)	1,349	1,137	9,060	7,621	+18.9
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Sept.)	2,174	2,513	9,060	7,621	+18.9
Flour exp., bbls. (Sept.)	813	1,293	8,941	14,210	—37.1
Wheat exp., bush. (Sept.)	8,285	10,173	90,196	117,166	—23.1
Cattle sales (Sept.) (4)	265.5	92.4	1,275.0	991.9	+28.4
Hog sales (Sept.) (4)	290.5	225.0	3,595.9	3,084.2	+16.6
SEA FISHERIES (000,000's omitted)					
Catch lb. (Sept.)	106.5	131.5	926.0	800.0	+15.9
Landed value	6.8	5.4	47.1	35.4	+33.1
NEWSPRINT (000's omitted)					
Production (Sept.)	376	366	3,418	3,317	+3.0
Exports, tons (Sept.)	388	379	3,386	3,337	+1.4
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Sept.)	1,546	1,546	12,790	10,618	+20.4
Gold prod. (fine oz.) (Aug.)	305	261	2,287	2,036	+12.3
Petroleum prod. (brl.) (July)	1,179	631	6,304	4,218	+49.4
ELECTRICAL POWER OUTPUT (000,000's omitted) (Aug.)					
Total monthly kw.h.	3,699	3,641	29,915	30,191	—0.9
FOREIGN TRADE (millions of $)					
Imports (Aug.)	206.5	204.6	1,701.7	1,688.1	+0.7
Exports (Sept.)	283.0	218.6	2,138.2	2,004.9	+7.6
FINANCE (millions of $)					
▪Bank debits (Sept.)	6,710	5,934	57,212	53,704	+6.9
Bond sales (Sept.)	855.4	726.3	3,594.2	3,584.1	+0.3
Life insurance sales (Sept.)	84.7	86.4	873.2	886.8	—1.6
OTHER INDUSTRIAL FACTORS (000's omitted)					
Shoe prod. (Aug.)	2,684	2,723	20,898	24,566	—14.9
Cigarette cons. (no.) (Sept.)	1,481	1,425	11,583	10,926	+3.1

(2) All industries.
(1) Base period 1935-39=100.
▪New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities
No. of Securities	10	8	4	4	9	13	8	16	14	8	18
					(Base 1935-39=100)						
***1935 to date:**											
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.6
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2
1948: Monthly Figures:											
Jan.	189.8	216.9	113.8	70.5	188.4	117.6	312.6	132.6	101.4	132.5	112.9
Feb.	179.7	242.7	105.5	65.8	185.3	111.8	294.1	122.5	95.2	129.7	110.1
Mar.	189.5	243.7	104.9	65.2	186.6	109.6	289.7	121.4	98.4	127.8	107.4
Apr.	209.1	256.5	109.5	70.1	197.3	115.2	312.6	132.0	102.5	127.7	116.5
May	228.0	274.1	113.1	76.6	215.7	114.0	331.8	142.4	107.8	128.4	127.8
June	247.7	279.8	111.7	79.5	220.2	115.9	324.3	144.1	108.7	128.5	132.2
July	234.9	275.9	111.2	75.1	221.9	115.5	315.3	139.5	106.6	127.8	126.2
Aug.	234.8	272.2	108.3	72.8	214.8	113.2	300.3	137.1	106.7	127.9	122.2
Sept.	231.3	269.4	107.9	74.9	211.5	111.5	297.6	136.7	105.7	128.3	121.2
1948: Weekly Figures:											
Oct. 7	232.3	266.2	103.6	77.8	208.6	110.8	301.1	138.3	108.3	127.5	122.3
Oct. 14	233.6	266.1	103.2	78.1	21[illegible].3	111.9	302.9	138.7	109.6	127.6	123.4
Oct. 21	233.8	267.2	103.6	78.9	214.7	112.2	310.8	140.4	108.8	128.0	123.3
Oct. 28	238.8	268.1	103.5	78.7	215.8	116.2	307.9	140.8	108.6	130.3	122.6
Nov. 4	243.3	277.3	101.8	81.5	219.2	115.9	324.5	143.3	109.4	132.7	124.2

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Nov. 8	186.04	85.38	111.22	50.24
Nov. 6	184.82	86.10	111.58	49.39
Nov. 5	184.96	85.45	110.43	48.81
Nov. 4	189.08	87.26	113.78	50.60
Nov. 3	186.49	87.66	111.37	48.32
Nov. 2	188.96	87.90	113.09	49.39
Month ago	178.70	89.32	104.21	43.58
Year ago	173.70	116.76	85.82	27.05
1948 High	191.44	104.68	113.93	50.66
1948 Low	149.13	83.97	77.67	28.68

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.
Nov. 8	74.9	133.5	113.9	349.54
Nov. 6	75.1	133.8	114.2	348.23
Nov. 5	74.7	133.8	114.1	350.58
Nov. 4	75.2	135.4	115.3	358.05
Nov. 3	75.5	134.2	114.6	355.63
Nov. 2	76.0	135.3	115.5	362.72
Month ago	74.0	131.0	112.0	350.34
Year ago	76.6	126.3	109.7	380.93
1948 High	77.7	135.6	116.0	384.80
1948 Low	70.7	108.0	95.7	290.26

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Nov. 8	178.19	56.56	33.78	65.85
Nov. 6	178.94	56.59	33.78	66.02
Nov. 5	178.38	56.22	33.71	65.77
Nov. 4	184.54	59.30	34.60	68.28
Nov. 3	182.46	58.52	34.27	67.50

	30 Indust.	20 Rails	15 Util.
Nov. 2	.....	....	....
Month ago	182.41	59.57	35.06
Year ago	182.21	47.50	34.65
1948 High	193.16	64.95	36.04
1948 Low	165.39	48.13	31.65

Stocks Not Traded This Week (Continued)

	Div. rate $	Last sale	Nov. 5 Bid	Ask
Inter-city Bak.	3.00+1.00‡	75	..	73
Inter'c. Coal	†2.00	30	31	..
Do. pref.	8.00	120	..	..
Int. Coal & Co.	.03	.37	.32	.38
Int. Nickel pref.	▲7%	137	141	..
Int. Pap. pref.	..	105	105	108
Invest. Found. pf.	3.00	52	51½	53
Jam. Pub. Ser. pf.	7.00	115½	115½	125
Journal Pub. Ot.	†.74	14½	14	15

	Div. rate $	Last sale	Nov. 5 Bid
Do. B rights	1.00	20	..
Tuckett Tob. P.	7.00	160½	..
Un. Amuse. A V.T.	1.00+†.50	39	38
United Secs.	..	17	15
Viau Ltd.	†1.00	21½	21
Do. pref.	5.00	101	101
Viceroy	†.48	11	10
West. Brew.	1.00	20½	20½
West Grain	..	1.00	1.00

Mining Stocks

OIL STOCKS

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Nov. 9, 1948

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ...	102⅞	103⅛
3	Mar. 1954 ...	103¾	104¼
3	Nov. 1956 ...	103½	104¼
3	May 1957 ...	102⅞	103
3	Jan. 1959 ...	101½	102¼
3	June 1960 ...	100½	101⅛
3	Feb. 1962 ...	100⅝	101
1½	Nov. 1950 ...	100¼	100⅞
2	Oct. 1963 ...	100¼	101
3	Sept. 1966 ...	100¼	101
1½	Nov. 1949 ...	100¼	100¾
Dom. of Canada Bonds:			
3½	Feb. 1952 ...	103¼	104
3	Oct. 1952 ...	101	101½
3	June 1955 ...	101⅞	102¼
3	June 1958 ...	102	102½
4½	Nov. 1959 ...	102⅞	103¼
3¼	June 1966 ...	102½	103¼
3	Perpetual ...	99	99¾
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	100⅞	101⅞
4½	Sept. 1951 ...	105⅞	107
4½	Feb. 1956 ...	122¼	124½
4½	July 1957 ...	124	126
5	Oct. 1969 ...	107½	108½
5	Feb. 1954 ...	111⅞	113
5	Feb. 1970 ...	107⅞	109
4½	June 1955 ...	123	125¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ...	121½	123½

%	Due	Bid	Ask
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ...	108	110
4	Jan. 1962 ...	120	122½
Montreal Harbour Comm.:			
5	Nov. 1969 ...	107½	108½
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/64.	101	102½
3½	June 1959 ...	103¾	106½
3½	June 1950/72.	102	103½
3½	June 1950/71.	101	102¼
British Columbia:			
2¾	Jan. 1967 ...	93⅞	95½
4½	Jan. 1969 ...	124½	126¾
5	Apr. 1954 ...	118¾	121¼
5	Sept. 1953 ...	107¼	109
3	Dec. 1960 ...	98⅞	100½
4	Dec. 1957 ...	114¾	117¼
Manitoba:			
4	Dec. 1957 ...	114½	117
4½	Dec. 1956 ...	117⅞	120¼
5	Dec. 1959 ...	125¼	127⅞
2¾	Aug. 1962/64.	93⅞	95⅞
5½	July 1958 ...	117	119
New Brunswick:			
4½	Apr. 1961 ...	115	117¼
5	Jan. 1960 ...	119½	121⅞
2¾	June 1966 ...	90	91½
3½	Oct. 1960 ...	98¼	99¼
Nova Scotia:			
3½	June 1956 ...	100⅞	102½
4½	Nov. 1960 ...	120¾	123¼
5	Mar. 1960 ...	125¼	127¼
3	June 1956/58.	99¼	100⅞
2¾	Sept. 1966 ...	93¼	95
3½	May 1960/62.	99⅞	101½

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69.	94	95½
3	Apr. 1962/65.	99	100
3½	May 1952/55.	102¼	103¼
4	June 1962 ...	119½	121⅞
4½	June 1950 ...	103¼	104¼
4½	Jan. 1962 ...	125	127
5	Dec. 1960 ...	129	131¼
2¾	July 1967/76.	92½	94⅞
Ont. Hydro Commission:			
4	Aug. 1957 ...	116½	119
2¾	June 1961/71.	93½	94⅞
2¾	Oct. 1965/68.	94	95¼
Prince Edward Island:			
4	Mar. 1951/54.	101	102½
Quebec:			
3½	Mar. 1954/59.	102½	104
3¾	Feb. 1952/55.	103	104½
4½	Aug. 1958 ...	108⅞	110½
4½	Jan. 1963 ...	113⅞	115¼
3	Feb. 1960/62.	99¼	100¼
4	Nov. 1950/52.	102⅞	104¼
Quebec Hydro Commission:			
3	Feb. 1969/73.	97¼	98⅞
Saskatchewan:			
4	Nov. 1955/60.	99	100¼
5	Aug. 1958 ...	105¼	108
4½	Mar. 1960 ...	105	107¼
5	Dec. 1959 ...	110	112¼
5½	Oct. 1952 ...	104⅞	106⅞
6	Mar. 1952 ...	105⅞	107¼
3	Mar. 1963 ...	89¼	91½
3½	Nov. 1960/62.	91¼	93¾
3¾	Feb. 1960/62.	95⅞	97⅞

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co., Intercity Securities Corp. and Kamm, Garland & Co.)

Nov. 8, 1948

	Bid	Ask
Allens Toronto units	40.00	....
Anglo Can. Telephone A	9.75	10.50
Beauharnois L. H. & Pwr.	21.50	23.00
British Mtge. & Trust	185.00	195.00
B. C. Sugar	83.00	86.00
Can. Investors Corp.	7.25	8.00
Canadian Motor Lamp	11.75	12.75
Can. Silk Products A	22.50	24.50
Can. West. Nat. Gas com.	65.00	....
Do. pfd.	18.75	20.00
Capital Wire Cloth com.	11.50	....
Cawthra Apts. units	8.50	....
Chase A. W. units	50.00	....
Colonial Steamships com.	98.00	....
Commercial Finance com.	15.50	18.00
Commercial Life 10% pd.	9.00	....
Continental Life 20% pd.	44.00	....
Cooksville A	11.75	....
Do. B	4.50	....
Cuban Can. Sugar com.	5.00	6.00
Detroit Inter. Bridge	14.00	15.25
Dover Industries Ltd.	10.50	11.50
Dunlop Tire pfd.	24.75	25.75
Dupuis Freres pfd.	24.75	25.75
Empire Life Ins. 25% pd.	17.00	19.00
Foreign Power Co.	4.00	7.00
Galt Brass com.	33.00	....
Goderich Elev. & Trans.	17.25	18.25
Great West Life	340.00	360.00
Guardian Realty pfd.	47.50	....
Guaranty Co. of N. A.	385.00	....
Guelph & Ont. Svgs. $50 p	61.00	....
Hart Battery com.	8.75	....
Hartz, J. F. A	9.75	11.00
Imperial Life	330.00	355.00
Lambton Loan $50 par	82.00	86.00
Laprairie com.	....	6.00
Do. pfd.	88.00	....
Loblaw Groc. Inc.	17.25	18.50
Manufacturers Life Ins.	340.00	360.00
Monarch Life 30% pd.	95.00	....
Monarch Mtge. units	5.00	5.50
Mountainview Apts. pfd.	22.00	....
Natl. Drug & Chem. c. new	7.00	7.75
Do. pfd.	11.00	13.00
N. B. Telephone	12.75	13.75
Northern Tel. com.	2.00	2.75
Ont. & Que. Ry. 6% cap stk	140.00	...
Peller Brewing com.	3.00	4.50
Do. pfd.	16.00	18.50
Provincial Bank of Canada	15.75	16.50
Prudential Trust	10.50	13.00
Quality Steels com.	.30	.55
Ritchie Cut Stone pfd.	5.50	6.50
Sawyer Massey com.	1.50	2.25
Seiberling Rubber com.	6.00	8.00
Sincennes McNaught. Tugs	2.50	....
Sherbrooke Trust	140.00	....
Sovereign Life 25% pd.	37.50	....
Standard Fuel pfd. 4%	41.00	44.00
Do. com.	2.50	4.00
Sun Life Assce.	485.00	505.00
Third Can. Gen. Inv.	3.70	4.05
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	2.50	....
United Steel A pfd.	24.75	26.00
Victoria Trust & Svgs.	135.00	...
Waterloo Mfg. com.	6.75	7.75
Waterloo Trust & Svgs.	123.00	126.00
Western Grain com.	1.15	1.50
Do. pfd	21.50	24.00
York Trading com.	11.00	12.50

Dividends Declared

	This payment $	Date payable	Date of record
Acadia Atlantic	.25	Jan. 3	Dec. 10
Do. 5% pf.	1.25	Dec. 15	Nov. 20
Acme Glove	.50	Dec. 1	Nov. 15
Agnew-Surpass	.15	Dec. 1	Oct. 29
Alum. of Can.	.25	Dec. 1	Nov. 3
Alum. Ltd.	.50	Dec. 6	Nov. 10
Anglo-Can. Tel. A	.15	Dec. 1	Nov. 10
Argus Corp.	.15	Dec. 1	Oct. 29
Do. pf.	1.12½	Dec. 1	Oct. 29
Ashdown Hdwre. A	.15	Jan. 1	Dec. 10
Do. B	.45	Jan. 1	Oct. 30
Do.	.15	Jan. 1	Dec. 10
Assoc. Tel. 6% pf.	†1.44	Dec. 21	Nov. 21
Do. 7% pf.	†1.68	Dec. 21	Nov. 21
Auto. Electric	.15	Dec. 15	Nov. 20
Do. A	.12½	Dec. 15	Nov. 20
Aunor Gold	.05	Dec. 1	Nov. 10
Bk. of Montreal	.20	Dec. 1	Oct. 30
Banque Candn. Nat.	.20	Dec. 1	Nov. 15
Do. ext.	.20	Jan. 3	Nov. 3
Bank of N. S. ext.	.20	Jan. 3	Dec. 16
Bk. of Toronto	.30	Dec. 1	Nov. 15
Do.	.20 ext.	Jan. 3	Nov. 15
Barber Ellis	.25+.12½	Dec. 15	Nov. 30
Bathurst Pwr.	.37½	Dec. 1	Nov. 3
Beaver Lumber	.50	Feb. 1	Jan. 10
Do. A	.25	Jan. 2	Dec. 10
Do.	.25	Apr. 1	Mar. 10
Do.	.25	Jul. 2	Jun. 10
Do. pf.	.35	Jan. 3	Dec. 10
Do.	.35	Apr. 1	Mar. 10
Do.	.35	Jul. 2	Jun. 10
Beld.-Cort.	‡1.00	Jan. 3	Nov. 30
Bertram & Sons A	.25	Nov. 15	Oct. 30
Do. B	.05	Nov. 15	Oct. 30
Bowes A	.12½	Nov. 15	Oct. 30
Brazilian Tr.	1.00	Dec. 15	Oct. 22
Bulolo Gold	1.00	Dec. 3	Nov. 15
B. A. Oil	.25	Jan. 3	Dec. 7
Do. pf.	.234375	Jan. 3	Dec. 7
Bruck Mills A	*.30	Dec. 15	Nov. 15
Do. B	*.07½	Dec. 15	Nov. 15
Butterfly Hose	.35+.15	Dec. 15	Nov. 15
Do. pf.	†3.50	Jan. 31	Dec. 31
Can. Cement pf.	.32½	Dec. 20	Nov. 19
Can. & Dom. Sugar	.20	Dec. 1	Nov. 10
Canada Dry	†.15	Jan. 1	Dec. 8
Do. pf.	†1.06¼	Jan. 1	Dec. 8
Can. Flooring B	*.15	Jan. 3	Dec. 17
Can. Malting	.50+.50	Dec. 15	Nov. 15
		Coup. 84-xc-14	
Candn. Brew.	.50	Jan. 1	Nov. 20
Candn. Bakeries	*.20	Jan. 3	Dec. 15
Candn. Car	▲.20+.20	Nov. 22	Oct. 29
Do. A	▲.25	Nov. 22	Oct. 29
Candn. Cel.	1.75	Dec. 31	Dec. 8
Do. 1st pf.	.43¾	Dec. 31	Dec. 8
Do. 2nd pf.	.25	Dec. 31	Dec. 8
Candn. Fairb.-M.	.25+.25	Dec. 1	Nov. 15
Candn. Food	.18¾	Jan. 1	Nov. 30
Do. A	.25	Jan. 1	Nov. 30
Do. pf.	1.12½	Jan. 1	Nov. 30
Candn. Tire	.30	Dec. 1	Nov. 20
Can. Vinegars	.20+.15	Dec. 1	Nov. 13
Candn. Wirebound	.37½	Jan. 3	Dec. 10
Can. Converters pf.	.18¾	Oct. 30	Oct. 5
Candn. Ice Mach. A	.20	Jan. 1	Dec. 13
Candn. Ind.	.17½	Oct. 30	Sep. 30
Candn. Foundries A	.37½	Dec. 15	Nov. 26
Do. B	1.50	Dec. 17	Nov. 26
Candn. For. Inv.	.75	Jan. 3	Dec. 2
Candn. Ind. Alco. A	.50	Dec. 6	Nov. 5
Do. B	.50	Dec. 6	Nov. 5
Candn. Int. Inv. Tr.	1.25	Dec. 1	Nov. 15
Candn. Oil	.20	Nov. 15	Oct. 15
Can. Safeway pf.	1.12½	Dec. 1	Nov. 15
Candn. Utilities pf.	1.25	Nov. 15	Oct. 29
Capital Estates	†.30	Nov. 15	Oct. 28
Cassidys pf.	1.75	Jan. 3	Dec. 3
Chart. Trust	1.75	Jan. 3	Dec. 15
Chesterville M.	.05	Jan. 15	Dec. 30
Coch.-Dunlop Hdwre. A	.20	Nov. 15	Oct. 30
Do. pf.	.30	Nov. 15	Oct. 30
Cockshutt Plow	.25	Dec. 1	Nov. 1
Do.	‡.20	Mar. 1	Feb. 1
Do.	‡.20	June 1	May 2
Comm. Int. Corp.	.05	Nov. 15	Oct. 15
Coniaurum M.	.03	Dec. 10	Nov. 15
Confederation Life	1.50	Dec. 15	Dec. 10
Cons. Div. Sec. pf.	1.00	Jan. 3	Nov. 30
Consol. Press A	.16¼	Jan. 1	Dec. 15
Cons. Theatres	.12	Dec. 1	Nov. 8
Consumers Glass	.50	Nov. 30	Oct. 29
Consol. Textiles	.30	Dec. 1	Nov. 15
Cons. Textiles pf.	.50	Dec. 1	Nov. 15
Corp. Inv.	.08	Nov. 15	Oct. 30
Corr. Pap. Box	.25	Dec. 1	Nov. 12
Do. pf.	1.25	Dec. 1	Nov. 12
Crown Cork	.50	Nov. 15	Oct. 15
Cosmos Imp.	.35	Nov. 15	Oct. 30
Crow's Nest P. Coal	1.50	Dec. 2	Nov. 8
Davis Leather A	.37½	Dec. 1	Nov. 1
Do. B	.17½	Dec. 1	Nov. 1
Dom. & Ang. Inv. p.	1.25	Dec. 1	Nov. 3
Dom. Bridge	.30	Nov. 25	Oct. 29
Dom. Malting pf.	1.25	Feb. 1	Jan. 7
Dom. Scot. Inc. pf.	.62½	Dec. 1	Nov. 15
Dom. Stores	.37½	Dec. 15	Nov. 18
Dom. Tar	.25	Feb. 1	Jan. 3
Do. pf.	.25	Jan. 3	Dec. 1
Donnacona Pap. p.	1.12½	Nov. 15	Oct. 15
Donohue Bros.	.25	Dec. 1	Nov. 15
Dunlop Tire pf.	.62½	Dec. 31	Dec. 15
East Leduc Oil	.01½	Dec. 1	Nov. 8
Eastern Steel	.15	Dec. 1	Nov. 15
Eddy Paper A	.25	Dec. 15	Nov. 15
Fibre Prod.	.20	Dec. 22	Dec. 1
Ford A & B	.25+.25	Nov. 26	Nov. 5
Gair of Can. pf.	1%	Dec. 1	Nov. 15
Gen. Steel Wares	.20+.20	Nov. 15	Oct. 18
Globe Oil	.02	Dec. 1	Nov. 8
Goodyear Tire	.50	Dec. 31	Dec. 10
Grafton A	.25	Dec. 15	Nov. 25
Granby Cons.	†.50	Dec. 1	Nov. 15
Gt. West Felt	*.60	Nov. 15	Nov. 1
Gypsum Lime	.25	Dec. 1	Nov. 1
Hamilton Cot.	.22½	Dec. 1	Nov. 10
Home Oil	.25	Dec. 15	Nov. 10
Hudson B. M.	1.00+1.00	Dec. 13	Nov. 12
Imperial Oil	.25	Dec. 1	Nov. 30
Int. Nickel	†.40+.40	Dec. 20	Nov. 22
Int. Metal A	.40	Jan. 3	Dec. 7
Do. pf.	1.12½	Jan. 3	Dec. 7
Imp. Tobacco	.10	Dec. 31	Nov. 16
Int. Pet.	.25	Nov. 19	Oct. 22
		Coup. 70-xc-Nov. 18	
Int. Utilities	†.25	Dec. 1	Nov. 15
Invest. Found. pf.	.75	Jan. 15	Dec. 15
Lake Shore M.	.18	Dec. 15	Nov. 15
Lake of Woods	.40	Dec. 1	Nov. 1
Do. pfd.	1.75	Dec. 1	Nov. 1
Laura Secord	.20	Dec. 1	Nov. 1
Leitch Gold	.02	Nov. 15	Oct. 29
Loblaws Ltd. A	.25+.12½	Dec. 1	Nov. 2
Do. B	.25+.12½	Dec. 1	Nov. 2
W. H. Lowney	.25	Jan. 15	Dec. 15
Maclaren Pwr.	.50	Nov. 30	Nov. 6
Do. ext.	.25	Jan. 3	Nov. 6
Massey-Harris	.25	Dec. 15	Nov. 20
Matachewan M.	.02½	Dec. 10	Nov. 15
McColl-Front.	.25	Dec. 15	Nov. 15
McIntyre-Porc. M.	.50½	Dec. 1	Nov. 1
Do.	1.00½	Jan. 3	Nov. 1
McLennan, McFeeley & Prior pf.	1.12½	Dec. 31	Dec. 20
Robt. Mitchell	.25+.25	Dec. 15	Nov. 15
Mtl. Cottons pf.	.43	Dec. 15	Nov. 15
Monarch Knit.	.25	Jan. 3	Nov. 20
Do. pf.	1.12½	Jan. 3	Nov. 30
Mtl. Refrig.	.95	Dec. 16	Dec. 2
Do. pf.	1.50	Dec. 16	Dec. 2
Nat. Biscuit	†.40+.40	Jan. 14	Dec. 7
Do. pf.	†1.75	Nov. 30	Nov. 9

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Nov. 9, 1948

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	69	72	70¼
†Assoc. Tel. & T.	5½	'55	112	...	111
Bell Telephone	3	'77	95½	97½	95½
B.C. Electric	3½	'67	91	93	90½
Calgary Power	3½	'72	95	...	95
East Kootenay	3¾	'67	...	94½	93
‡Gatineau Pr. D	3½	'70	98	100	97½
*Do., C	3	'70	93½	96½	93½
Gt. Lakes Pr.	3½	'67	95½	97½	95½
*Int. Hydro-El.	6	'44	66	69	66
L. St. Pow. Pr.	3¾	'65	95	98	97
Maclaren-Quebec Power	3	'69	94	97	94
†Mtl. Trams. A	5	'55	93	100	97½
Nat. Lt. & Pr.	4½	'61	99½	101½	99½
Nor. Que. Pr.	4½	'67	97	100	97
Ott. L.H. & Pr.	4	'57	100½	102½	100½
Power Corp.	3½	'67	93	95	93
Quebec Power	3	'62	96	98	96
Saguenay Pr.	3	'71	96	99	97
St. Maurice Pr.	3½	'70	96	98	95½
Shaw W. & Pr.	3	'61	97½	99½	97½
Shaw W. & Pr.	3	'71	94	96	94
Do.	3½	'70	97½	99½	97½
Union Gas	4½	'50	100	102	99½
Un. Fuel Invest.	4	'59	100	102	100
United Secs.	3	'52	99	101	99
Winnipeg Elec.	3¾	'71	102	104	101½
Industrial Issues:					
Abitibi Pr. P.	3½	'67	97	99	97
Acadia-Atlantic Sugar	3¾	'65	100	102	100
Aluminum Co.	3½	'74	100	...	100
Bathurst P. & P.	3¾	'68	98	100	98
B.C. For. Pdcts.	4	'66	90	92	90
B.C. Pulp & Pa.	3½	'67	94	97	94
Bowater's Nfld. P. & P.	3½	'68	95½	97½	95½
Brampton Pulp & Paper	3½	'66	92	94	92
*Brown Co.	5	'59	103½	106½	102½
Burns & Co.	4	'63	96½	98½	96½
Can. Steamship	3½	'57	100½	102½	100½
Can. Breweries	3½	'67	92	95	92
Can. Celanese	3	'62	96	...	96
Canadian Oil	3½	'62	97½	99½	97
Can. West Lum.	4	'62	99	102	99
Chatco Stl. Pr.	4	'67	89	93	89
C.P.R.	3½	'51	102	104	102
Do.	4	'49	100½	102½	100½
C.P.R.	4	Perp.	108	111	105
Cockshutt Plow Co.	4½	'65	...	...	...
Columbia Cell.	5	'68	97½	99½	97½
Consol. Paper	3½	'67	100½	102½	100¾
Dominion Coal	4½	'52	100½	102½	100½
Dom. Tar & Ch.	3½	'57	100½	101½	100½
Dom. Textile	3½	'59	102	104	102
Dom. Woollens	5	'64	100½	102½	100½
Dryden Paper	4	'61	99½	101½	99½
E. B. Eddy	3½	'66	96	99	95½
E. B. Eddy	4	'66	100½	102½	100
English Electric	4	'67	95	...	94
Federal Grain	4	'64	96½	98½	96½
Gt. Lakes Paper	3½	'67	98	100	98
Imp. Tobacco	2¾	'66	94½	97½	94½
Indust. Accept.	3½	'66	93	96	93
Lake St. J. P.	5	'61	101	103	101
Lang, John A.	4½	'62	100	102	100
Laurentian Silk	4½	'67	99	102	99
MacMillan (H.R.) Ex.	4	'65	100	102	100
Maple L. M.	3¾	'63	96	99	96
Massey-Harris	3	'66	92½	95½	92½
Do.	4¼	'63	99½	101½	99½
McColl-Front.	3	'71	93	96	92
McCormics	4	'52	100	102	100
Mercury Mills	4	'63	99	101	99
Monarch Knit.	4	'66	99	101	99
Morgan (Henry) Prop.	3½	'67	95	98	95
N.S. Steel Coal	3½	'63	96	99	96½
Penman's	3½	'66	99	102	98½
Price Bros.	3½	'66	98½	100½	98½
Silv. Dairies	4	'60-64	97	100	97
Do.	4	'71	92	95	92
Simpsons Ltd.	3½	'60	101	103	101
Steel of Canada	2¾	'67	93	96	93
Tor. Elevators	3½	'66	98	101	98
United Corp.	4	'58	100	102	100
United Steel	4	'60	98	101	98
Untd. Grain Gr.	4	'63	99	102	99
†Western Grain	5	'63	75	79	75
York Knit. Mills	3½	'71	89	93	89

*Payable in Canada or United States.
†Payable in Canada, U. S. or U. K.
*Payable in United States.
‡Payable in Canada only.
▲Payable in Canada or U. K.

Dividends Declared (Con.)

	This payment $	Date payable	Date of record
National Drug	.12½	Dec. 1	Nov. 12
Do. pf.	.15	Dec. 1	Nov. 12
Nat. Hosiery A	.15	Jan. 1	Dec. 3
Wm. Neilson pf.	1.25	Dec. 1	Nov. 10
Normetal Min.	.08	Dec. 8	Nov. 12
North. Emp. M.	.07	Nov. 19	Oct. 30
N. S. Lt. & Pr. 4% p	1.00	Dec. 1	Nov. 12
Do. 6% pf.	1.50	Dec. 1	Nov. 12
Ogilvie Flour	.25	Jan. 3	Nov. 24
Do. pf.	1.75	Dec. 1	Oct. 27
Ont. Beauty S'ply p.	.25	Jan. 3	Dec. 20
Ont. Steel	.25	Nov. 15	Oct. 15
Do. pfd.	1.75	Nov. 15	Oct. 15
Peto Cons. Gold	.15	Nov. 24	Nov. 2
Paton Mfg.	.20	Dec. 15	Nov. 30
Do. pf.	.35	Dec. 15	Nov. 30
Placer Dev.	.25	Dec. 10	Nov. 19
Power Corp.	.35	Nov. 24	Nov. 2
Que. Pwr.	.25	Nov. 25	Oct. 18
Regent Knit M. pf.	40	Dec. 1	Nov. 12
Remington Rand	†.25	Jan. 3	Dec. 9
Do. pf.	†1.25½	Jan. 3	Dec. 9
Robinson Little A	.25	Dec. 1	Nov. 15
Rolland Paper pf.	1.06¼	Dec. 15	Dec. 1
Royal Bank	.25	Dec. 1	Oct. 30
Saguenay Pwr. pf.	‡1.06	Jan. 1	Dec. 8
Scythes	.25	Dec. 1	Nov. 15
Do. ext.	.18	Jan. 5	Dec. 15
Do. pf.	.31¼	Dec. 1	Nov. 15
Shawinigan	.30	Nov. 25	Oct. 18
Do. pf.	.50	Jan. 2	Dec. 2
Simon & Sons	.30	Dec. 1	Nov. 3
Do. pf.	1.25	Dec. 1	Nov. 3
Simpsons pf.	1.12½	Dec. 15	Nov. 15
Southam	.25	Nov. 15	Oct. 15
So. Can. Pwr.	.30	Nov. 15	Oct. 20
Stand. Chem.	.10	Dec. 1	Oct. 29
Do. pf.	1.25	Dec. 1	Oct. 29
Stowell Screw A	.75	Dec. 1	Nov. 1
Sylvanite Gold	.01½	Jan. 3	Oct. 30
Tip Top Tail.	.15	Jan. 3	Dec. 1
United Amuse. A & B	.50+.50	Nov. 30	Nov. 15
United Corp A	.37	Nov 15	Oct. 15
Do. B	.25	Nov. 30	Oct. 30
United Fuel A pf.	.75	Jan. 3	Dec. 10
United Steel	.12½	Dec. 20	Nov. 15
Upper Can. M.	.02½	Dec. 3	Nov. 12
Viceroy	.12	Dec. 15	Dec. 1
Hiram Walker	.50	Dec. 15	Nov. 19
Waterous A	.20	Nov. 15	Oct. 31
Geo. Weston pf.	1.12½	Dec. 1	Nov. 15
Winnipeg Elec.	.50	Dec. 31	Nov. 15
Do. pf.	2.50	Dec. 31	Nov. 15
Woods Mfg.	.50	Dec. 17	Nov. 17
Wool Combing	.40	Jan. 10	Dec. 24

†N. Y. funds. *Initial.
‡Net after deducting C.I.T.
‡Payable 1949. ▲Extra.

Market Comment

What stocks and bonds are doing and what prominent observers say

At early midweek, anxious traders were eyeing the continued sinking action of the New York stock market. Up to then, Canadian markets had been putting up a remarkable fight against the downward pull of heavy U. S. selling pressure. How long could it last? From Nov. 1 — day before U. S. elections — to Nov. 9, the New York Dow-Jones industrial average had dropped 15.83 points. In the same period, the Toronto Stock Exchange industrial index had eased only 4.48 points. This show of independent strength on the part of the Canadian market has been unprecedented over the last several years.

To U. S. investors, the Democratic victory meant: possible sharp increase in federal spending, accompanied by continued high taxation; fear of re-adoption of an excess profits tax and price curbs, and labor-appeasing amendments to the Taft-Hartley Bill. Disregarding these possibilities — and they are only possibilities — the business outlook remains unchanged.

Normal year end tax-selling usually hits the market about this time, and continues to exert its pressure up to end of year. This could make the expected market comeback — once election disappointed and emotional selling have done their worst — a slow, laborious process.

* * *

J. G. K. STRATHY: Dominion Securities (Toronto).

The continuing threat of inflation, aggravated by the development of a general re-armament program, makes the problem of investing funds increasingly difficult. Nevertheless, this does not mean that funds should remain idle; but rather, that the selections should be made with greater care, in order to produce a balanced portfolio — such a portfolio to be made up principally of sound investment securities.

The comparatively low yield of top-grade government and corporation bonds and preferred stocks can be augmented by the greater return obtainable by including in the portfolio a proportion of common stocks. However, the greater degree of risk inherent in common stocks should be recognized by the investor.

If it can be accepted that world trading relations will once again be conducted through normal channels, it becomes a growing necessity for the so-called Western democracies not only to build up their strength politically, but also to develop their natural resources and industrial capacity to the point where it will become obvious to any aggressor that the democratic nations talk and act in complete accord. The co-ordination of industrial and military endeavor is obviously the responsibility of the United States of America and it is therefore in their interests that countries like Canada should exert every effort to strengthen their internal economies.

Since the war, it has been estimated that the rate of industrial development in Canada has been proceeding at twice that of the United States, and probably four or five times the rate anywhere else in the world. This expansion, quite properly, has been based upon the development of Canada's vast natural resources, for which there is a growing world market; and upon the continuing demand by Canada for self-sufficiency, based on the necessity to conserve U. S. dollars. To further this expansion, idle capital must be put to work through the medium of the investment market to accelerate the development of our natural resources. Among the most important of these natural resources are hydro-electric power, oil, iron ore, steel, base metals (such as nickel, lead, zinc, copper, aluminum) and forest and food products.

* * *

CRABTREE & McLAUGHLIN (Montreal).

The dominant consideration is that retention of a Democratic administration, which will now have full control of Congress, will increase the inflationary influence of government policy. Farm prices will be supported at a higher level than under a Republican administration, for the latter might have lowered the supports. The government bond pegs will almost certainly be maintained at present levels for the indefinite future, effectively nullifying any other measures to apply credit brakes to the boom. Labor will doubtless have a freer hand than it would have had under Dewey, increasing the likelihood and probably scope of a fourth round of wage increase. Defense and foreign aid were bound to expand in any case, but there is now less probability of their inflationary impact being modified by other economies.

The chief cause for concern probably lies in the realm of taxation and economic controls. The natural fear in many minds is that intensification of inflationary pressures may lead to the enactment of a program such as President Truman proposed to the emergency session of Congress last summer, featuring reinstatement of price controls and excess profits taxation. Any such steps would, of course, make inflation an unmitigated evil for stockholders.

But the price situation has changed importantly since last summer, by virtue of the bearing of record crops upon food prices and a general trend toward easement of shortages and a state of balance between demand and supply. With the passing of peak inflationary pressures from such factors as food scarcities, pent-up consumer demands, inventory accumulation and business plant expansion, the pinch of living costs may not again become acute enough to make controls and E.P.T. politically attractive, even to the democrats.

* * *

J. P. WALWYN; Walwyn, Fisher & Co. (Toronto).

With regard to the bond market, the Democratic victory in the United States will probably not prevent a further rise in the short-term interest rate and, eventually, higher long-term rates. Short-term bonds, therefore, continue to be favored by investors.

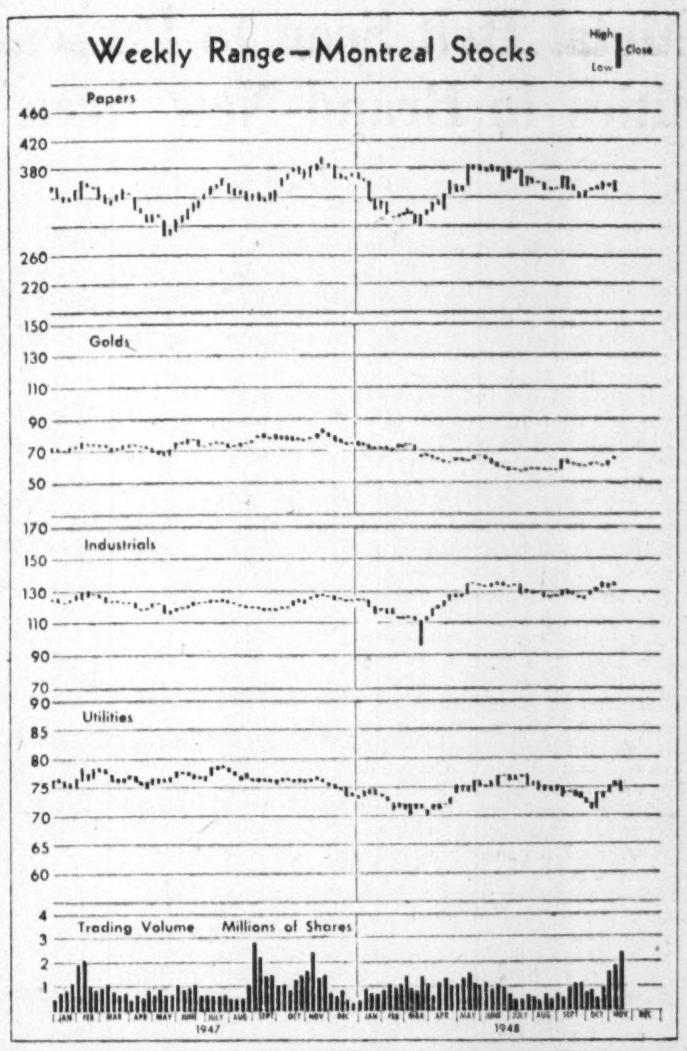
The outlook for industrial common stocks is somewhat more clouded than usual, as a result of recent events. Probably the consequences of the election will not be as unfavorable to business as many fear. In any case, if investors will think in terms not of "bull" and "bear" markets, but rather of each company's ability to continue dividends at current rates, it should prove less difficult to formulate an investment policy. On this basis, many stocks are definitely attractive.

* * *

BARRON'S: THE TRADER (New York).

Campaign bark of the (U. S.) administration may well prove worse than its bite. A Washington dispatch to The New York Times on Saturday stated that prospects of an excess profits levy are "extremely remote" . . . Realists are aware that under the New Deal regime, three big upswings have occurred, viz., 1933, 1935-1937 and 1942-1946. Ability of the stock market to advance in an apparently unhealthy political climate has been definitely demonstrated, notwithstanding stubborn partisanship to the contrary.

* * *



New Highs & Lows

During the week ended Nov. 6, 33 new highs were recorded among the general stocks on Canadian Stock Exchanges and 14 new lows. In the mining group there were 40 new highs and 16 new lows; 15 new highs among the western oils and 2 new lows.

GENERAL

New Highs—1948

Beaver Lumber
Bertram & Sons A
Canada Cement
Canda Flooring B
Canada Iron
Can. Bk. of Comm.
Candn. Celanese
Candn. Ind. pfd.
Candn. Oil 4% pf.
Can. Westinghouse
Capital Estates
Cons. Smelting
Dominion Square
Federal Grain pf.
Fraser Cos.
Gen. Products pf.
Imperial Bank
Imperial Oil
Int. Utilities
Montreal Refrig.
Nat. Hosiery B
Northern Trusts
Page Hersey
People's Cr. Sec.
Powell River
Russell Industries
Saguenay Pwr. pf.
St. Law. Pap. 1st pf. N.
South. Investment
Taylor Pearson 5% pfd.
United Distillers
Westeel
Western Grain pfd.

New Lows—1948

Bates & Innes
Bruck Mills A
Canada Bread
Candn. Food Pr. A
Candn. Oil 4% pf.
Cassidy's pfd.
Circle Bar Knit.
Modern Tool
St. Law. Flour pfd.
Silverwoods West Dairies pfd.
Stanley Brock A
Twin City
Wabasso Cotton
Western Grocers

MINING

New Highs—1948

Amer. Yk.
Anacon
Athona '37
Base Metals
Buffalo Can.
Bulolo
Cheskirk
Citralam
Colomac
Conwest
Cuyuni
Duvay
Glencra
Golconda
Gold Crest
Graham B.
Halcrow
Hollinger
Hudson Bay
Hugh Mal.
Indian Lake
Joliet Que.
Kelore
McLellan
N. Calumet
Newnorth
Nicholson
Noranda
Normetal
Northland
Pend Oreille
Quemont
Reeves McD.
Sheep Creek
Sudbury Contact
United Asbestos
United Keno
Vananda '48
Villbona
Ymir Girl

New Lows—1948

Astoria
Bourcadillac
Cons. Duquesne
Dome
Fontana '45
Hosco
Kirk. Lake
Macassa
Macho R.
Ogama
Pitt
Preston E. D.
Standard
Teck-Hughes
Toburn
Vicour

OILS

New Highs—1948

Alta. Pac.
Cent. Leduc
Coastal
Davies P.
Decalta
East Crest
Federated P.
Globe
Home
Leduc Cons.
McDougall S.
Model
Pacific P.
So. Brazeau
Vanalta

New Lows—1948

McLeod.
Grease Cr.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporations and Foreign Securities.

MUNICIPAL

District of West Vancouver, B.C.—3¼% serial debentures (noncallable), due Jan. 2, 1959-68, $150,000, dated Jan. 2, 1948. Offered at $94.40 and accrued interest to yield 3.75% by Jas. Richardson & Sons.

Town of Springhill, N.S.—3% and 3½% debentures, due Nov. 1, 1949-68, $140,000, issued Oct. 19, 1948. Sold at $100.04 to J. C. Mackintosh & Co. Ltd.

City of Lachine, Que.—3% and 3¼% debentures, due Nov. 1, 1949-58-68, $307,500, issued Oct. 25, 1948. Sold at $97.99 to Nesbitt, Thomson & Co. Ltd.; Royal Bank of Canada and Rene-T. Leclerc Inc.

Village of La Sarre, Que.—3½% debentures, due Nov. 1, 1949-58, $15,000, issued Oct. 25, 1948. Sold at $97.50 to St. Onge & Fournier Inc.

City of Hull, Que.—3¼% and 3½% debentures, due Feb. 1, 1950-54-63, $500,000, issued Oct. 26, 1948. Sold at $96.81 to McLeod, Young, Weir & Co. Ltd. and Bell, Gouinlock & Co. Ltd.

Town of La Salle, Que.—3%, 3¼% and 3½% debentures, due Nov. 1, 1949-58-68, $462,500, issued Oct. 27, 1948. Sold at $98.478 to A. E. Ames & Co. Ltd.

Parish of St.-Edouard-de-Gentilly, Que.—3% debentures, due Oct. 1, 1949-68, $20,000, issued Oct. 27, 1948. Sold privately at $100.

School Commission of Mont-Rolland, Que.—3¼% and 3½% debentures, due Oct. 1, 1949-51-68, $50,300, issued Oct. 27, 1948. Sold privately at $97.75.

Township of Orford, Que.—3% debentures, due Jan. 1, 1949-58, $12,000, issued Oct. 27, 1948. Sold privately at $100.75.

Village of St. - Ambroise, Que. — 3½% debentures, due June 1, 1949-58, $3,000, issued Oct. 27, 1948. Sold privately at $99.

Municipality of St.-Jean-Baptiste—3¼% and 3½% debentures, due Sept. 1, 1949-53-63, $140,000, issued Oct. 27. Sold privately at $95.70.

Town of Weston, Ont.—3½% debentures, due Dec. 15, 1949-68, $470,000, issued Nov. 1, 1948. Sold at $99.81 to F. H. Deacon & Co.

CORPORATE

Canadian Pacific Railway—2¾% equipment trust certificates, series K-1948 (issued under the Philadelphia plan), due May 1, 1949 to Nov. 1, 1958, $17,000,000, dated Nov. 1, 1948. Sold at $100 and accrued interest to A. E. Ames & Co. These certificates have already been sold.

Canada Rice Mills—5% 1st (closed) mortgage sinking fund bonds, due Oct. 1, 1958, $150,000, issued Oct. 27, 1948. Offered at $100 by Western City Co. Ltd. and W. C. Pitfield & Co. Ltd.

Manning Timber Products—5% debentures, due Jan. 1, 1954, $150,000, issued Oct. 27, 1948. Offered at $100 by Pemberton & Son, Vancouver, Ltd.

La Societe Co-operative Federee des Agriculteurs de la Province de Quebec—3%, 3½% and 4% debentures, due Oct. 1, 1949-53 and Apr. 1, 1954—Oct. 1, 1957 and Apr. 1, 1958—Oct. 1, 1966, $2,250,000, issued Oct. 27, 1948. Offered at $100 by Pemberton & Son, Vancouver, Ltd.

Massey - Harris — 3⅜% 20-year sinking fund note, due Nov. 1, 1968, $10,000,000, issued Nov. 1, 1948. Arranged privately through Lehman Bros.; Wood, Gundy & Co. and Emanuel Deetjen & Co.

PREFERRED

Mersey Paper — 15,000, 4½% cumulative redeemable preference shares (par value $100). Offered at $39.50 per share by Royal Securities Corp.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$20.93	$21.16	$13.56
Hogs	30.60	31.10	22.60
Copper, lb.	.23½	.23½	.21½
Sugar, raw, lb.	.0518	.0518	.06320
Coffee, lb.	.26⅜	.26½	.26⅞
Hides	.27½	.26½	.35
Weekly Indices			
U. S. Labor	163.8	165.3	157.4
Dow Jones	144.54	143.56	165.41
Fishers	173.0	173.0	166.6
Monthly Indices			
Retail (Oct.)†	159.6	158.9	142.2
W'sale (Sept.)	158.2	157.8	134.0
U. S. (Aug.)	169.4	168.6	153.7
Gt. Brit. (Aug.)	221.1	221.8	193.9

Note: The base of indices is that 1926 equals 100 †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Municipal Bonds

Nov. 9, 1948

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria	3¾	'55-66	96½	99½	3.79
Vancouver	3	'67	89	92	3.68
Calgary	3½	'62	98	101	3.44
Edmonton	3½	'60	98	101	3.39
Regina	3	'64	91	94	3.49
Moose Jaw 3-3½		'60	94	97	3.50
Winnipeg	2¾	'66	92	95	3.12
Ottawa	3	'54	101	103	2.43
Toronto	2¾	'72	91	94	3.11
Hamilton	3	'60	98½	100½	2.94
Windsor	2½	'75	72	75	4.01
Quebec	2¾	'66	89	92	3.38
Halifax	3	'66	93	96	3.31
Saint John	3½	'65	99	102	3.34
Windsor	2¾	'75	76	79	4.02
Windsor	3½	'75	88	91	4.04
Montreal	3	'70	91	94	3.38

Company Meetings

1948	Company	Place
Nov. 12	Chem. Research	Detroit, Mich.
Nov. 12	Fed. Grain	Winnipeg
Nov. 15	Candn. Converters	Montreal
Nov. 15	Traders Finance	Toronto
Nov. 19	MacK. Steel	Montreal
Nov. 24	Imperial Bank	Toronto
Dec. 1	Bk. of Nova Scotia	Halifax
Dec. 2	Asbestos Corp.	Montreal
Dec. 6	Bank of Montreal	Montreal
Dec. 8	Dominion Bank	Toronto
Dec. 9	Candn. Celanese	Montreal
Dec. 10	H. Walker-Good.	Walkerville
Dec. 14	Bank of Commerce	Toronto

Investment Trusts

	Bid	Asked
Affiliated Funds	3.86	4.83
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.70	5.15
Can. Invest. Corp.	7.00	8.00
Commonwealth Int.	3.47	3.81
Corporate Invest.	8.63	9.30
Trans-Canada A	14.90	....
Do. B		14.95

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
†Algoma Cent. & Hud. Bay Rly. deb. stk.	5%	1959	Dec. 31	125
‡Met. Bldg. 1st mtge. bds.	5%	1952	Nov. 15	100½

†£30.00.
‡All outstanding.

COMPANY REPORTS

DISTILLERS CORP.-SEAGRAMS LTD. net profit for the year ended July 31, 1948 was up 27%. Consolidated net sales were $738,040,755, against $618,135,497 in last fiscal year. Companies have continued the inventory building program deferred during the war period, when facilities were directed almost exclusively to production of war alcohol. Inventories are shown at $208,839,912 ($140,203,077).

Consolidated assets increased substantially during the year and now exceeded $346,000,000 ($266,586,769). Working capital showed a sizeable gain at $234,940,752 ($170,032,514).

CONS. INCOME & SURPLUS ACCOUNT† Years End. July 31:	1948 $	1947 $
Net sales	738,040,755	618,135,497
Net income	98,520,236	79,878,824
Less: Int.	2,508,880	1,602,351
Depr.*	651,732	536,045
Depletion	1,923,964	3,712,663
Inc. & prof. tax	38,700,000	32,430,958
Less:		
Ref. claim§	......	1,515,695
Net profit	54,735,660	43,112,502
Less: Pf. divds.	....	303,243
Com. divds.	5,261,610	5,261,493
Appr. to retire 5% pref.	......	609,235
Surplus for year	49,474,050	36,938,531
*Add'it. deprec. incl. in costs	1,474,611	1,386,915

†U. S. currency. §Arising from replacement of inventories involuntarily liquidated in prior years.

Earnings per Share and Dividend Record:		
Pref.‡: Paid	......	$2.50
Common	$6.24	4.88
Paid (Can.)	0.60	0.60

‡Redeemed Feb. 1, 1947.

CONDENSED CONS. BALANCE SHEET† As at July 31:	1948	1947
Cash & Govt. bds.	$39,815,596	$33,541,530
Accts. rec.	52,358,667	48,393,782
Inventories	208,839,912	140,203,077
Total curr. assets	301,014,175	222,138,389
Misc. assets▲	11,729,951	11,223,397
Timber & leases	2,565,114	4,416,345
Fixed assets*	30,906,627	28,808,638
Total assets	346,215,867	266,586,769
Bank notes	5,812,500	812,500
Accts. & tax. pay.	60,231,923	50,594,375
Debent. due	29,000	699,000
Total curr. liab.	66,073,423	52,105,875
Bank notes	49,875,000	31,687,500
Reserves, etc.	720,000	5,720,000
Funded debt	46,000,000	48,000,000
Capital stock	17,538,700	17,538,700
Capital surplus	1,886,204	1,886,204
Earned surplus	164,122,540	109,648,490
*After depr. of	23,295,305	21,496,545
▲Incl. Can. ref. EPT	1,117,000	1,117,000
Working capital	234,940,752	170,032,514

†U. S. funds.

We take pleasure in announcing that
MISS R. I. HAYDEN AND
FRANK C. CASSIDY
have been admitted
as General Partners of this Firm
as of 1st October, 1948

S. R. Mackellar & Co.
Established 1926
Members The Toronto Stock Exchange
27 Melinda Street Toronto 1 ADelaide 4911

Announcing the formation of
Mackellar Securities Limited
Members of The Investment Dealers' Association of Canada
to deal in
Government and Corporation Bonds
Preferred and Common Stocks
and to act as
General Distributors of
Corporate Investors Limited Shares

S. R. Mackellar, President.
Miss R. I. Hayden, Secretary. F. C. Cassidy, Treasurer.
D. Mackellar, Director.
Magnus T. Paulson, Sales Manager.

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TORONTO NORANDA MONTREAL

CUSTOMS, TRADE & TAX
CONSULTANT
GORDON E. HOOPER
Formerly of the Department of National Revenue
295 METCALFE ST., OTTAWA, ONT.

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Consult your freight forwarder or the above offices for sailings and rates.

Stock Redemptions

Company:	Rate	Date	Price
‡Reliance Grain pf.	4%	Nov. 30	105

‡All outstanding shares.

Bond Tenders

Up to 5 p.m., Nov. 9, 1948, City of Halifax, N.S.—$2,295,000, due Nov. 1, 5-10-20-year debentures.

MANAGEMENT SERVICES
in
Time, Motion and Methods Study
Incentive Plans and Job Evaluation
Foremen and Supervisory Training
Personnel Selection, Placement and Training
Cost, Production, and Budgetary Controls
Sales, Distribution and Markets
Office Systems
Surveys of Operations
●
J. D. WOODS & GORDON Limited
15 Wellington St. W., Toronto, Canada
MANAGEMENT CONSULTANTS

Kenneth F. Jones, B.A.Sc.

Tomenson, Saunders, Smith & Garfat Limited, Insurance Brokers, announce the appointment of Mr. Kenneth F. Jones as Manager of their Engineering Department.

Mr. Jones, a graduate in Engineering of the University of Toronto, has had practical experience in Safety Engineering and Fire Protection with the Sprinkler Risk Department of the Canadian Underwriter's Association.

*

N.W.T. Base Metal Belt Seen to Possess Major Possibilities in Brand-New Area

By GORDON M. GRANT

"My main objective is to establish a smelter on the north shore of Great Slave Lake. I am certain in my own mind that I have enough tonnage on the BB group alone (a group taken under development by Hollinger-Noranda-Mining Corp. acting as equal partners) to justify such an installation."

So declares J. A. McAvoy who, with eight to 10 associates has blanketed base metal showings along a brand-new base metal belt lying to the east of Yellowknife. Stakings of McAvoy and his associates total over 500 claims of 51 2/3 acres each. One group, the BB, was sold to the Hollinger-Noranda-Mining Corp. group for $350,000 of which $50,000 was paid down and $100,000 a year is to be paid for the next three years, the vendors retaining a 20% share interest in a company to be formed. Mr. McAvoy is the first to admit that work is very much in preliminary stage and showings remain to be proven up (only about two weeks' work has been done so far) but 47 individual showings of ore are stated to have been encountered along the belt and McAvoy feels his optimism is warranted on the basis of indicated prospects.

Mr. McAvoy is now in Toronto completing deals which are expected to lead to development of other properties with a number of deals to be completed before he returns to Yellowknife in a week's time. An examining option has already been granted to International Mining Corp. on the Voo group of 21 claims adjoining Hollinger to the northwest while Conwest has an option on the Jan group lying to the southeast. Some big names among U. S. mining corporations are others dickering on deals for further groups.

McAvoy who has his own diamond drill firm controls about 20 drills, and wants to do further work on many of his groups before making deals along the lines of the Hollinger-Noranda-Mining Corp. deal.

Two Other Groups Promising

Main stakings are over a length of 12 miles and McAvoy thinks that two groups held north of the BB, the Little Stix group of 12 claims and the Voy group of 44 claims may turn out just as important as the BB group. He wants to complete further work before dealing these, however, and neither group was shown to Hollinger or its associates.

"I have a considerable tonnage of lead-zinc ore on the Voy; and there appears to be copper on the Little Stix group. In the event I shouldn't be able to establish enough ore on BB, this will be my ace in the hole. I won't deal these until after the tonnage potential of the BB group has been proved or disproved." That is how McAvoy outlines the position on these properties. Altogether 12 gossans (rusted areas of mineralization showing at surface) have been found and considerable work will be necessary to determine just what the score is.

The BB group had been opened up for a length of 310 ft. by McAvoy before Hollinger became interested, is stated to possess a length of 250 ft. averaging about 20% zinc, 3% lead and about 8 oz. silver over an average width of 18 ft.

Main operating company of McAvoy is Zalota Yellowknife Mines which is expected to share in the vendor interests received for all groups and to participate in financing as well. Zalota is to share in the payments made by Hollinger and its associates. Captain Yellowknife and West Bay Yellowknife are mentioned as smaller companies which may get interests. Associated with McAvoy in his operations is W. M. Archibald, for 30 years prominently identified with Consolidated Mining & Smelting Co.

The McAvoy showings (and as Mr. McAvoy points out, they were discovered by his associates and not himself) are located about 150 miles from where Consolidated Smelters and Ventures have been outlining lead-zinc ore tonnages south of Great Slave Lake.

Howey Shares In New Uranium Find

A participation is held by Howey Gold Mines in Camray Prospecting Syndicate which has made the uranium discovery near Alona Bay on the north shore of Lake Superior termed one of the best uranium discoveries since Eldorado. Initial assays of about 60% uranium are reported which work out at over $3,000 to the ton on the basis of $2.75 a lb. for uranium.

Howey is also interested in the fine ore results being obtained in new depth diamond drilling at East Malartic Mines, where a first flat drill hole put out at the new 11th level returned an ore width of 112 ft., averaging $6.55 uncut or $5.95 cut. Howey holds 600,000 East Malartic shares in an investment portfolio which had a market value of $1,621.772 on Jan. 1, 1948. Including other current assets, working capital was $2.3 millions so that the company is in position to assist in financing the new uranium find should this be desired.

East Malartic Ore Runs Wide

First Hole at New Deep Level Shows Ore 112 ft. Wide

Initial ore results on the 11th level off the big new shaft of East Malartic Mines provide strong confirmation of the downward extension of the company's main ore structure to depth, with greater width than obtained above.

A first drill hole put out ahead of the drive at the 11th level to establish the contact of the ore zone intersected a width of 112 ft. of ore averaging $6.55 a ton uncut or $5.95 a ton, cut grade, The Financial Post is informed.

A second hole angled above the level, from the same location, returned 81 ft. averaging $5.95 cut grade, while a third hole angled below the level returned 50 ft. averaging $12.25 uncut grade or $6.30 cut.

The 10th level, immediately above, had been the best level previously opened, so that the initial ore results at the 11th level do not come altogether as a surprise.

The company is also carrying drives forward on the 12th and 13th levels and putting out of drill holes similar to those at the 11th level is planned. A main drive is being extended east and west at the 11th level (about 50 ft. removed from the contact) and the ore structure will be fully outlined by systematic diamond drilling it is stated.

Eureka Raises Needed Funds

With $587,625 received from an offering of 675,000 shares as rights with warrants and $100,000 further being provided by Ventures Ltd. through arrangements with the FECB, Eureka Corp. has now been "definitely assured" that the entire balance of the offering will be taken up by Ventures Ltd. and associates as soon as necessary arrangements covering exports of Canadian funds have been completed.

The company's general manager reports that the fifth level at 2,034 ft. was reached in pumping on Oct. 29, 1948, and was found in excellent condition. Deepest point reached to date is 2,076 ft.

New Pacalta Near Five Key Tests

Recent market activity of New Pacalta Oils is stated to stem from the fact that the company owns or controls blocks of acreage in proximity to five important test wells in the Leduc, Redwater and Lloydminster regions.

A block of 320 acres is held 1½ miles to the east of Central Leduc No. 6 well, which has recently shown commercial production from the Lower Cretaceous formation in northeast Leduc.

Two blocks of 160 acres each are held about a mile to the north west of the Saunders Lake test of Gel Oils in the southeast Leduc area, with this well now drilling at around 4,400 ft.

New Pacalta is stated to hold substantial acreage in the Bruderheim area, 15 miles southeast of Redwater, with some acreage within a mile of the proposed Cross test.

A well is to be drilled by Mercury Oils and associates in another southeast section of Leduc. New Pacalta holds a 160-acre lease within a half mile.

Ground is held close to the Devonian test now drilling in Lloydminster.

President J. F. Whelan also reports negotiations in progress for acquisition of further acreage interests in the Redwater region.

SURF INLET CONSOLIDATED GOLD MINES advises that both the Surf and Pugsley properties remained shut down during fiscal year ended June 30, 1948. The company transferred its option on the McVicar property to the newly incorporated McVicar Mining Co. for one million shares. The new stock is held in escrow and, contingent on McVicar raising $180,000 through sale of its treasury stock, Surf Inlet will donate 500,000 shares of the one million shares back to the McVicar treasury. No further payments have been made under the option to purchase claims held by Gold Coast Mines. Current assets were $29,946 and liabilities $9,601 at June 30.

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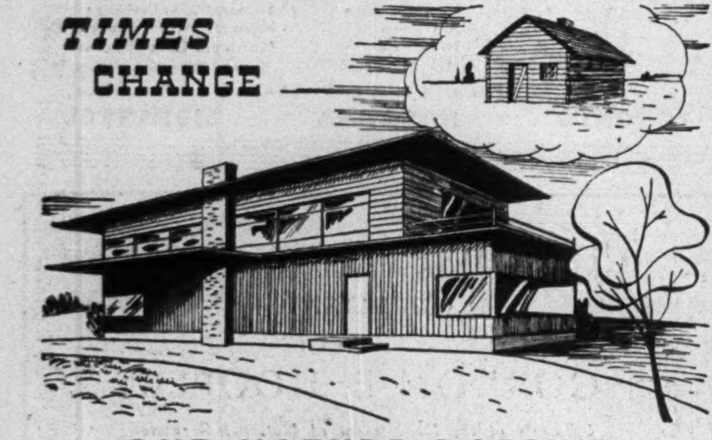

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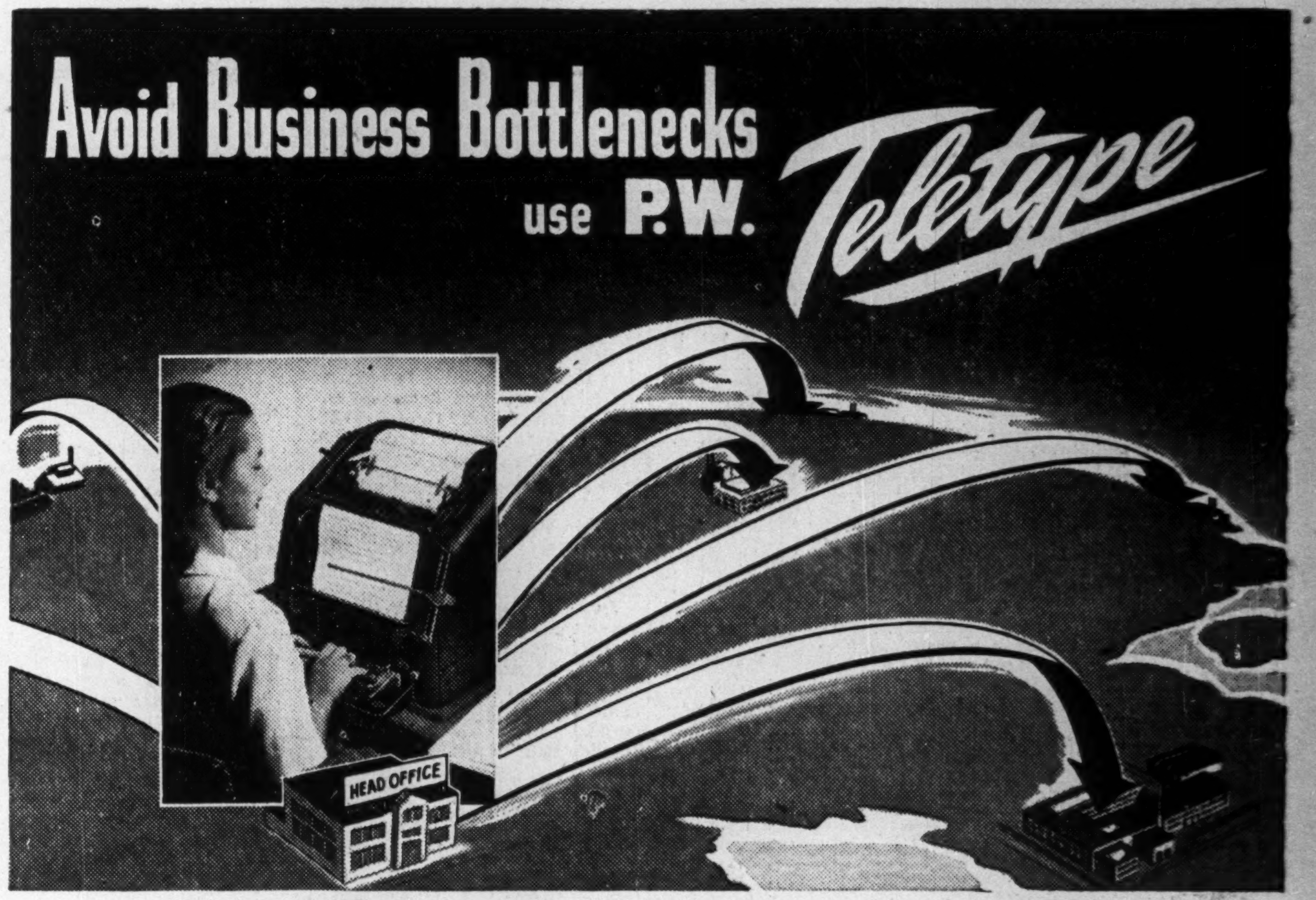

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MINING INVESTMENTS

U. S. Lines Up Metal Here But Details a State Secret

Apparently U. S. authorities have been going "all out" in their efforts to line up copper, lead and zinc supplies in Canada in an effort to build up their own stockpiles to desire levels. But details of individual deals haven't been given out, because they are regarded as in the nature of state secrets, with individual contracts marked "confidential."

Objective may be to keep from the USSR details of just how much of these strategic metals the United States is being successful in adding to its stockpiles.

Early reports on proposed deals were very sketchy. It was stated that International Nickel, Hudson Bay, Normetal and Sherritt Gordon would be among those supplying copper; Noranda wouldn't be supplying any, because it had no surplus beyond fabricating requirements of subsidiaries. Actually it turns out that Sherritt Gordon won't be able to supply any copper directly because of previous commitments while Noranda will be a supplier. Normetal has a contract for a certain amount of copper and Quemont Mining Corp. is also to be a supplier. Confirmation of other contracts is not immediately available.

If any quantity of lead is to be secured, Consolidated Mining & Smelting Co. will almost certainly be the supplier.

* * *

Copper Shorter Than Ever

It is not surprising that Canada has been approached by the United States Government for copper. The U. S. backlog of copper orders is around 600 million lb., aside entirely from the metal which the U.S. Munitions Board wants for its stockpile.

Accentuating the copper shortage situation in the United States recently has been a strike at Utah plants of Kennecott Copper which is cutting off copper supplies at the rate of 250 million to 500 million lb. per annum. Reports from the United States say that an early end of the Kennecott strike is not expected.

The United States is likely to be in the market for Canadian copper for a long time, it appears, because the stockpiling program is a five year one and domestic production in the United States does not begin to cover over-all requirements. Canadian producers of copper (and other nonferrous metals) have shown no particular enthusiasm for selling metals in the United States in previous years because the United States has been an "in and out" buyer. For this reason, it seems conceivable that the terms under the contracts recently signed may be quite favorable — and there may have been some assurance of a more dependable outlet in the United States than has been the experience to date.

* * *

Rush For Uranium

Quite a rush to stake possible uranium-bearing ground is being experienced along the shore of Lake Superior as the result of a uranium discovery which is termed one of the best finds since the discovery of Eldorado. The find is located on a cove at Theona Point on Alona Bay, and was made by Camray Prospecting Syndicate, headed by Robert Campbell.

While many of the lenses have been only a few feet long, 60.1% content of radioactive minerals is stated to have been established by Government analysis, with all but 1% of this uranium. At the current price of $2.75 a lb. or uranium, occurrences of a grade such as this obviously won't have to be large to be commercial.

A total of 224 claims is reported to have been staked in the area to early this week, with further staking proceeding. Prospectors, mining men and geologists, have all been participating in the rush to stake close in ground at the location, some 75 miles northeast of Sault Ste. Marie, Ont.

Cent. Manitoba Plans Work Program Shortly

Further work is planned this winter on the property of Central Manitoba Mines at Ospawagan Lake where nine holes totalling 3,610 ft. drilled previously located low nickel values, President W. Hirst states in the company's report for the year ended Aug. 31, 1948.

The whole group of 78 claims is being kept standing and a lease on 1,000 acres under water has been extended another year. An option on an adjoining property was dropped when diamond drilling failed to locate ore. Claims in the Hughes Lake section, Granville Lake area, have also been dropped.

Balance sheet as at Aug. 31, 1948, shows $227,425 current assets, including $142,462 Dominion bonds with no current liabilities.

Goldvue Bulk Samples Its Stevenson Showing

Because considerable variation was found in drifting on its Stevenson vein for some 600 ft. at the 350-ft. level, Goldvue Mines is carrying out a complete program of bulk sampling the vein at this horizon, President Samuel Ciglen reports.

Backs of the Stevenson vein are accordingly being taken down over a width of 4 ft. and for a thickness of 2 ft.

Assays of the first two shipments to the School of Mines, Val d' Or, Quebec has shown 16,860 lb. averaging $10.85 per ton for one lot while a second lot of 15,725 lb. averaged $10.80 a ton.

In the next section being taken down, a showing of visible gold was encountered with a value of $2,000 placed on selected specimens removed.

MINING CONCENTRATES

CONSOLIDATED DUQUESNE MINING CO. has received payment for an additional 227,173 shares at 59 cents, part of Nov. 15 installment with Haut Mining & Development Co. Issued capital is 2,116,339 shares.

* * *

KERR LAKE MINES net profit was $28,665 in year ended Aug. 31, 1948. Income was in the form of dividends totaling $40,281 from Rimu Gold Dredging Co. with expenditures $11,616. The cobalt property was again leased and provided royalties of $2,808. Current assets were $32,827 and liabilities $11,148 at Aug. 31.

* * *

HIGHLAND - BELL reports net profit, after depreciation and taxes, of $67,060, or 4¼ cents per share in three months ended Sept. 30. Gross revenue was $155,759 during the period when 1,078 tons of ore were shipped.

* * *

NICHOLSON MINES advises that W. B. Milner has been elected president to succeed C. H. E. Stewart, who has been appointed vice-president and general manager. General D. M. Hogarth has been elected a director.

Ship B. C. Iron Ore to U. S. Starting Early Next January

From Our Own Correspondent

VANCOUVER — Iron ore from British Columbia is being purchased by United States interests, and shipments from here are expected to start early in January.

Firth-Kershaw (Exports) Ltd., a Vancouver firm, reports it has firm orders with interests in Washington for the purchase of the ore which will be mined at Quinsam Lake, 25 miles inland from Campbell River on Vancouver Island.

This firm had planned to handle shipments of similar ore from Texada Island to Japan. Officials report these shipments have been held up because of the high sulphur content of the ore. Until Japanese smelter experts test the Texada ore, no further word is expected on this deal.

The Quinsam Lake deposits contain magnetite and are one of the many which have been located on the coast of B. C. Engineers connected with the export firm say that development work on the property will start almost immediately. and strip mining a short time later.

The ore will be moved by barge to a U. S. point, probably Seattle. Quinsam Lake is a short distance from the Campbell River power development of the provincial government, and plenty of power is expected to be available.

Frith-Kershaw have options on the property and are acting as selling agents. D. S. Tait, president of Privateer Mine, holds the leases, and mining will be under the direction of N. E. McConnell of Privateer.

Discovery Mill Now All on Way to Goal

The complete milling plant purchased by Discovery Yellowknife Mines from Cariboo Hudson Mines in British Columbia has been dismantled and shipped, President J. C. Byrne reports. The heavy items of equipment arrived in Yellowknife before the freezeup; balance of shipment is stored at Peace River for delivery to Yellowknife this winter.

Construction is proceeding at the property. The coarse ore bin, crusher building and all concrete work for the amalgamation section of the mill building, are complete, including ball mill foundation, piers, walls, floor and sumps. Erection of the mill building and fine ore bin is underway.

Road construction is well advanced in converting the present winter tractor road to a truck road from the town of Yellowknife to the Discovery property. Crews will complete rock work and rerouting by early December. The Nov. 10 treasury option payment has been received.

HARD ROCK GOLD MINES reports bullion production of $66,958 from treating 16,479 tons of ore averaging $4.30 gold per ton in three months ended Sept. 30 ($90,901 from 16,112 tons averaging $5.64 in previous quarter). Output in first nine months totals $313,246 from handling 52,202 tons of ore averaging $5.29.

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LONDON CALLING—By Aaetpnt

Truman Win May Bring Early U.K. Vote; Old Land Eagerly Awaits Royal Birth

LONDON — The sensational result of the U. S. Presidential election has taken precedence over all other subjects of conversation. The Socialists in the House of Commons hung around the tape machines waiting for the confirmation that Truman was really in. The Tories were less excited, and waited for the evening papers.

When Dewey conceded victory to his opponent, the Socialists were cock-a-hoop. They saw in the result the first strong evidence of a Labor political movement in the United States. In fact, they adopted Truman into the Socialist family and gave him a seat of honor.

To them, the result was primarily a vote against the Taft-Hartley restrictions on trade unionism. Also, it was a vote against the barons of Wall Street. Thirdly, it was a vote against war. In fact, the boys were happy, and they did not try to hide it.

The Tories were philosophical, and refused to be stampeded. They said some sarcastic things about American political experts and Gallup surveys and then got on with the business of fighting the Government on what is called the "Steal Bill."

• • •

The Truman victory may persuade the Socialists to chance a general election early in the New Year. In fact, there are signs that the plan is well forward. All sorts of controls are being abolished, an almost sure sign that the Government wants to be loved for its good deeds.

It is extremely difficult to estimate the result if the election should come in February or March. For one thing, there is the unpredictable reaction to the bribery investigations which are due to begin before the end of November. The Parliamentary Conservative Party, that is, the actual Tory M.P.'s, are a rather subdued band through lack of consistent leadership. Churchill absents himself for days at a time, which is equivalent to an orchestra never knowing who is to conduct it.

• • •

Eden is too loyal to try to exploit the absenteeism of his leader; but certainly the Tories are not putting up an effective opposition at Westminster. On the other hand, the Tories are enthusiastic and energetic in the constituencies. Meetings are crowded, party membership is increasing everywhere, and the whole picture is Westminster in reverse.

I don't know the answer, but I cannot see a real Tory victory at this stage. However, Winston Churchill remains in good health and good spirits, and towers above all his contemporaries. He went to his old school, Harrow, week and solemnly warned the boys that they must not sing "Rule Britannia" any more. "The words now," he said, "are:

"Rule the Commonwealth!
Commonwealth rule the waves!
Commonwealthers never never shall be slaves."

This, of course, was a typical Churchillian comment on the accommodating spirit of the Socialists who, by doing away with "British subjects!" "the British Empire" and even "the British" Commonwealth, are trying to make it easier for the Irish and the Indians to live in amity with John Bull and Sons Ltd.

• • •

Pageantry Revived As Parliament Opens

The new session of Parliament was opened by the King with full pomp and pageantry. For the first time since 1938 the peers got out their robes and the peeresses put on their evening gowns and tiaras, although the event took place in the morning. The King wore a golden crown and, with the Queen, drove in the State Coach from the Palace.

It was all rather like a gala performance of "Merrie England" with the peers as a sort of super chorus. The English, of course, love dressing up, and carry it off superbly.

Despite the blunt references to foreign affairs, the real drama of the Speech was when the King announced the Government's intention to nationalize the steel industry.

• • •

Prime Minister Attlee, looking fairly well after his illness, had the painful duty of announcing the setting up of a judicial enquiry into the charges of corruption against ministers and public servants. Mr. Belcher, Parliamentary Secretary to the Board of Trade, has been given leave of absence until the enquiry is held, and there are rumors that he will be joined by another minister.

Characteristically, Winston Churchill urged the Commons not to take part in any conjecture or gossip; but inevitably, names of ministers are being bandied about in a reckless manner. Personally I do not believe that more than two ministers are involved.

• • •

Ex-Socialist Official Breaks With His Party

There was a dramatic scene at Westminster when Ivor Thomas, an intellectual who held a junior post in the Government for the first year of the Socialist regime, crossed the floor of the House and denounced his old party as enemies of efficiency and human freedom. It was a brilliant parliamentary performance which stung his former comrades so painfully that one of them shouted that he was "a dirty dog." Mr. Speaker immediately demanded a withdrawal. Mr. Speaker also reproved the Socialists for booing Mr. Thomas when he sat down. M.P.'s can make derisive comments but booing is prohibited.

Thomas, however, made one tactical blunder. He ended his speech with the declaration that while the nation had had no leadership from Mr. Attlee, it did have the authentic voice of Mr. Churchill. I do not doubt Ivor Thomas' sincerity, but leaving his party was enough for one speech. He did not need to hammer quite so noisily at the Tory door.

• • •

The Trade Unions are getting rough with the Communists, and are determined to remove them from positions of influence. In fact, the war of the Pinks against the Reds gets fiercer every day. By comparison, the Liberals and Tories are gentle little lambs.

• • •

Old Land Awaits Royal Baby's Birth

A more pleasant topic is the expected arrival of the royal baby. All the newspapers have dummy front pages ready with the streamer heading that it's a boy — or a girl. The newspapers may even be prepared for twins. There are also articles set up in type showing when and where previous royal boy (or girl) babies were born. In fact, one newspaper has jumped a hurdle this week by publishing pictures of Philip and Elizabeth, and asking which the new arrival will resemble.

• • •

In fact, for some reason, this is rather like a silly season week. For example the Communist Daily Worker, which has blossomed into full-sized pages just like the capitalist press, celebrated the event by publishing an article by Bernard Shaw, who stated that in Russia there was complete freedom, and even encouragement to criticize the Government.

The lively Right Wing Recorder promptly offered £25 to any Russian in Russia who would write and get published an article called: "Stalin must go." The Recorder added that if necessary, the money could be paid to his heirs and successors.

Russia is fading out of the news. The British are bored with the mutterings of Molotov and the virulence of Vyshinsky. At any rate, the British feel that Russia has lost the battle for Germany, even if she still dominates the battle of Berlin. The economic recovery in Western Germany is remarkable. Shops are well stocked, output is rising all the time, and the people have money in their pockets. Living conditions in most cities are still appalling, but the Germans are a tough race. There is little doubt that the overwhelming sentiment in Germany is anti-Communist and anti-Russian.

• • •

Incidentally I was told by a businessman who returned this week from a European tour that in six years Germany will be the most prosperous nation in Europe. I make no comment on this but merely mention the fact that he is a man of some substance and consequence.

• • •

Play Broaches Daring New Theme

Another bright spot in a foolish week was the astonishing decision of the censor to grant a license to a play based on artificial insemination. It is called "Breach of Marriage" and was put on at a tiny theatre club, where the censor does not operate. The Evening Standard critic was the only one to turn up for the opening performance, but proclaimed it to be the best play of the year, and challenged the censor to ban it for public showing. As a result of all this publicity, the hitherto unknown author is signing contracts all over the world, and can't think what hit him.

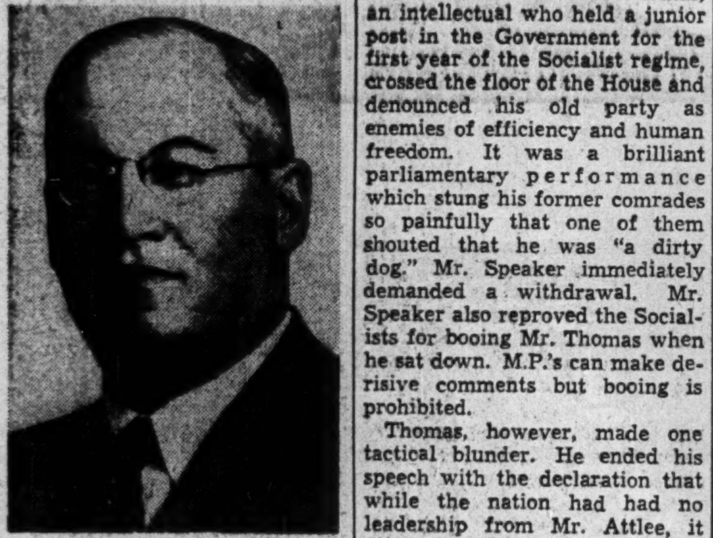
• • •

In the film world, Sir Alexander Korda has taken an awful drubbing from the critics for his costly "Bonnie Prince Charlie." But Sir Alexander is a Hungarian and, therefore, a philosopher. "I am sorry for these poor critics," he said blandly. "They have to see two films a day, and they have no appetite." However, he is cutting about £300,000 worth out of the film, so perhaps Charlie will do well when he goes wandering again.

• • •

Five November days of sunshine and spring temperature . . . growls of anger because steel firms kept down dividends at Government request and must now hand over shares at stock market values . . . reduction in passenger traffic disturbing the nationalized Traffic Commission . . . Lord Ashfield, American-born messenger boy who became Traffic Chief, President of the Board of Trade, and a Peer is dead at 74 . . . many hotels to close down for Christmas because new Catering Trade Act makes wages too high . . . nationalized B.O.A.C. losing so heavily it would pay to give every passenger £40 and tell him to travel across Atlantic by some other line . . . general morale in Britain excellent.

National Trust Director



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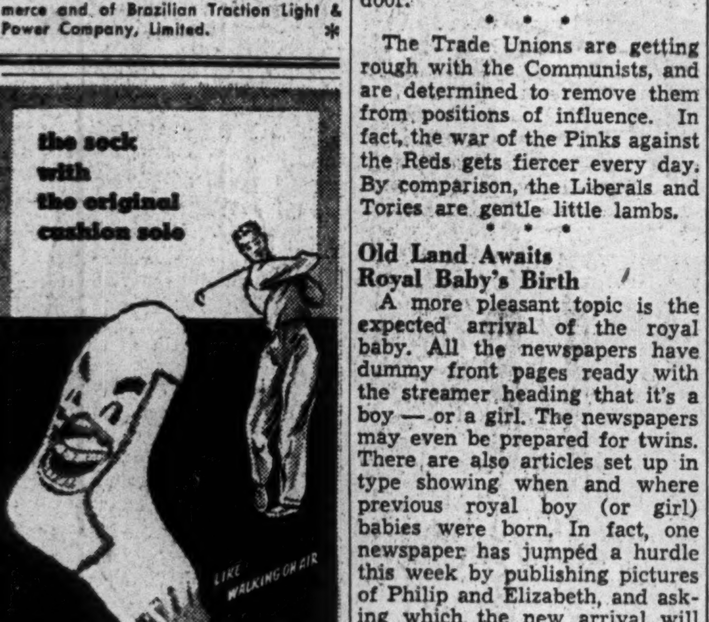
Accounts carried on a conservative margin basis

the sock with the original cushion sole



Give your feet a treat!

HAPPY FOOT HEALTH SOCK
PATENTED

The special patented all-wool cushion inner soles knit right in, absorb all foot strains and jars! Ask for them, by name, at your favourite hosiery counter.

Ankle length 95c pair
Regular length $1.00 pair

McGregor
QUALITY SOCKS FOR MEN

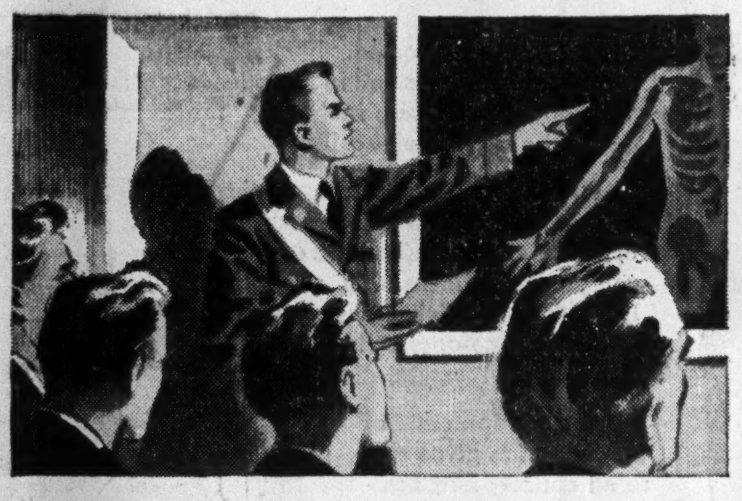
HERE IS THE WAY
St. John Ambulance
FUNDS ARE SPENT
TO SAVE LIVES FIRST

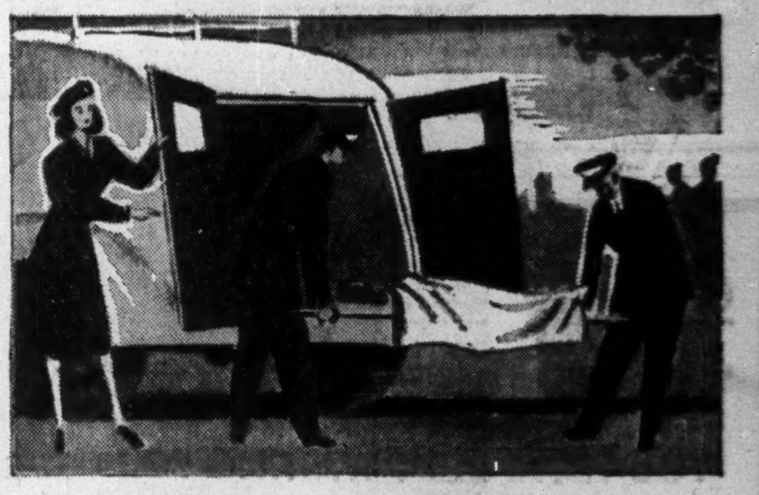
FOR HUMANITY'S WORK

FIRST AID The primary work of the St. John Ambulance is the training of volunteer First Aid workers across the Dominion, and the administration of First Aid in any emergency, irrespective of race, creed or calling.

HOME NURSING
This vital work is carried out by volunteer trained workers of the St. John Ambulance. It is available wherever and whenever the sick, aged or infirm require expert ministration.

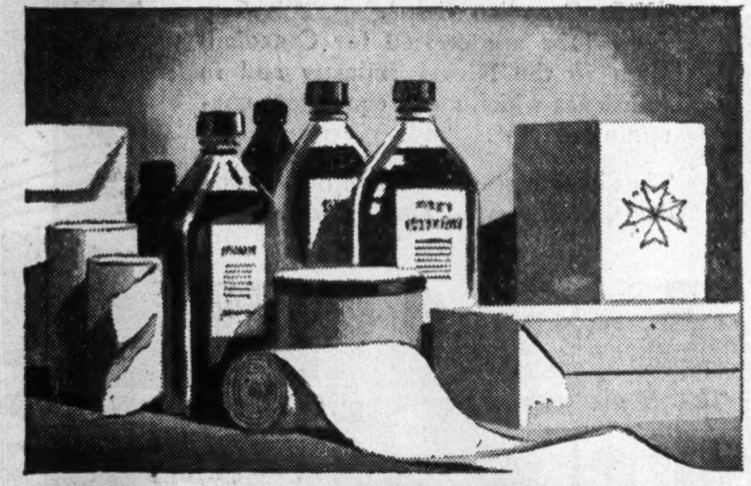
WE NEED THIS NATIONAL BUDGET

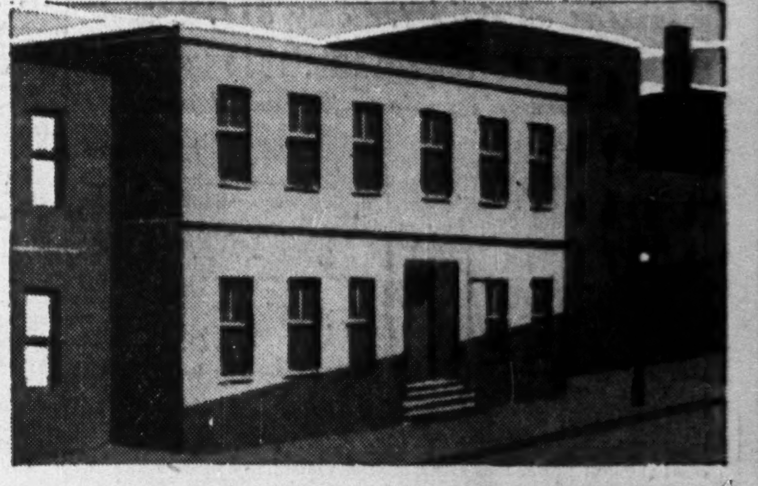




FOR TRAINING
The St. John Ambulance First Aid and Home Nursing classes, Industrial and Public Service classes, Brigade Corps, etc., require funds for materials, instructors and premises. All the members give voluntary service, in their free time, at personal sacrifice. What will you give to "back them up"?

FOR EQUIPMENT
Brigade Divisions require accoutrements and equipment for field work. Supplies, mechanical equipment, stretchers cause a constant drain on funds, particularly in respect to blood grouping services.





FOR SUPPLIES
Vital to all First Aid is the constant supply of bandages, splints and equipment. The work of the St. John Ambulance Brigade is dependent upon an adequate and continuing supply of these and other related materials.

FOR PREMISES
The rental of temporary training quarters, space for temporary and permanent First Aid posts, etc., are required by the St. John Ambulance. Other property expenses include administrative and training centres and their maintenance.

FOR BLOOD GROUPING
The man who knows his blood type is a good citizen and provides a safeguard for himself and his family. This service has proved its value in industry and home. St. John Ambulance gives the skill and service free. Will you help provide equipment?

FOR ADMINISTRATION
As the work of the St. John Ambulance extends farther afield, so extends administration and operating cost. Money must be put aside to keep up the vital work of permanent, expert employees, and to provide for contingencies during the next year.

OBJECTIVE $600,000

NATIONAL CAMPAIGN
NOVEMBER 1st-20

Give to the National Fund

THE ORDER OF ST. JOHN